

Figure 1

Figure 2

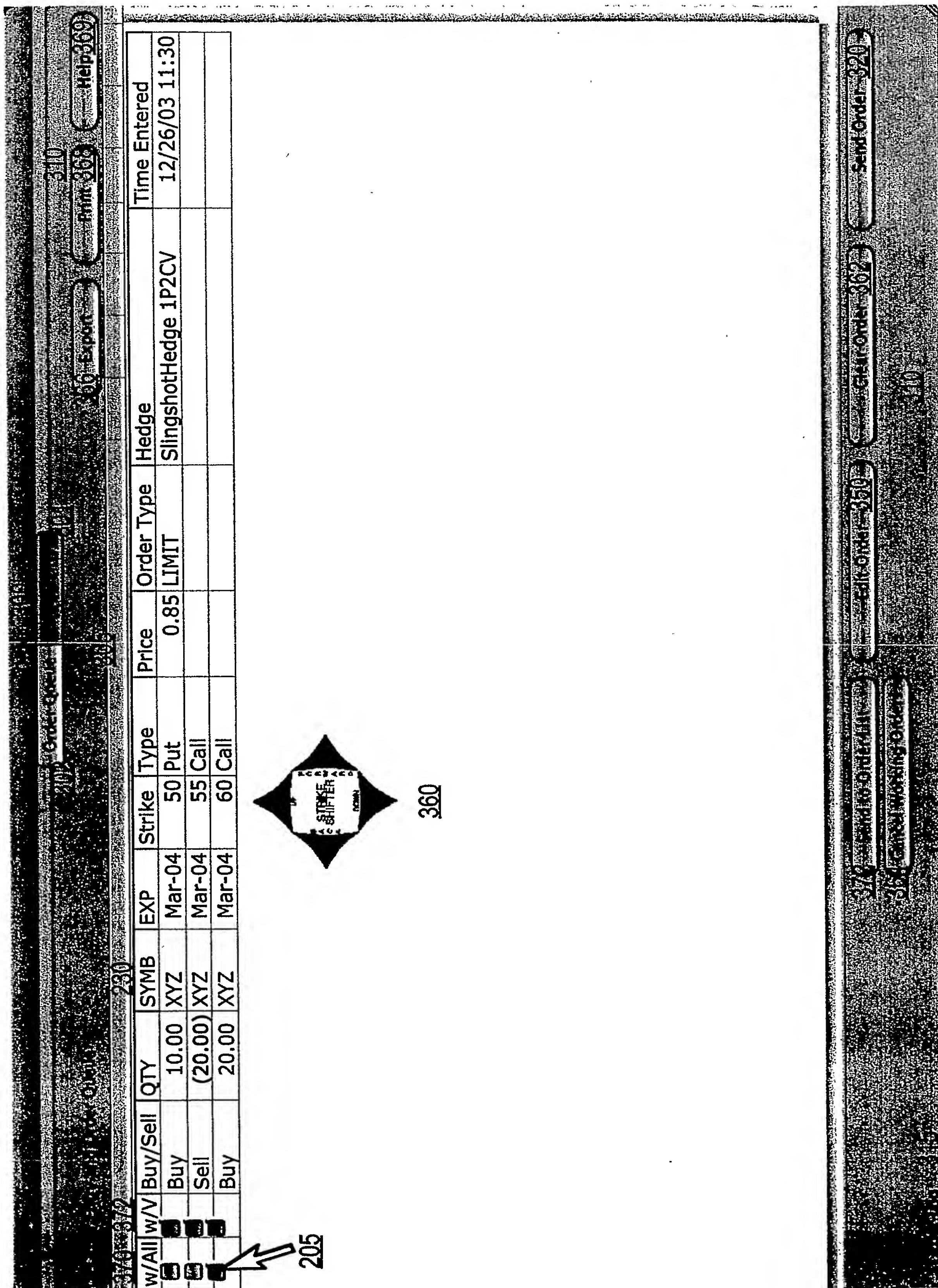


Figure 3

Underlying	XYZ Corp.
General Order Description	Hedge: SlingshotHedge 1P2CV
Specific Order Description	10 Mar 50 Put,(20) Mar 55/60 Call Credit Vertical @ .65 Credit
Maximum Profit (Reward) of Hedge:	\$50,650.00
Maximum Loss (Risk) of Hedge:	\$9,350.00 (excluding dividend risk)
Risk Reward Ratio of Hedge:	5.4:1
Maximum Profit (Reward) of Total Position:	Unlimited
Maximum Loss (Risk) of Total Position:	\$1,850.00
Risk Reward Ratio of Total Position:	Unlimited:1
Break-Even Stock Prices of Total Position:	51.85, 56.85, 61.85
Net Cost of Hedge:	\$650 Credit
Total Value of Position upon Execution:	\$51,850 (Based upon current Stock price of 52.50)
Commissions:\$85	Gross Cost of Hedge:
Potential Cash Flow Liability of Hedge:	\$565 Credit
Synthetic Price Equivalents:	\$10,000
Long 10*50/55/60 Call or Put Butterfly	.55 Debit (not including interest, dividends or assignment premium)
Long 10*60 Calls	.30 Debit
	<u>410</u>

Figure 4

SynTool



505

BoxTool



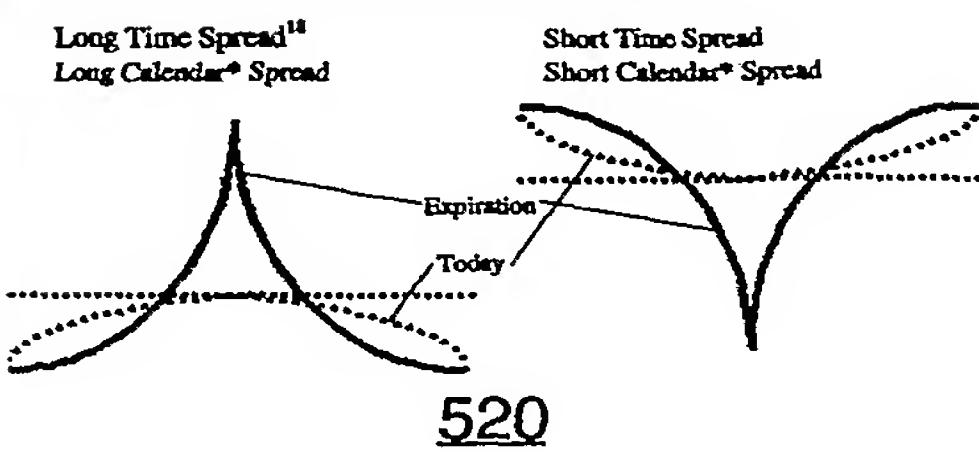
510

WingTool



515

CalendarTool



520

JellyRoller

Long May/June 99 Jelly Roll

May		
1	99	1
June		
99 1		

Short May/June 99 Jelly Roll

May		
1	99	1
June		
99 1		

525

530

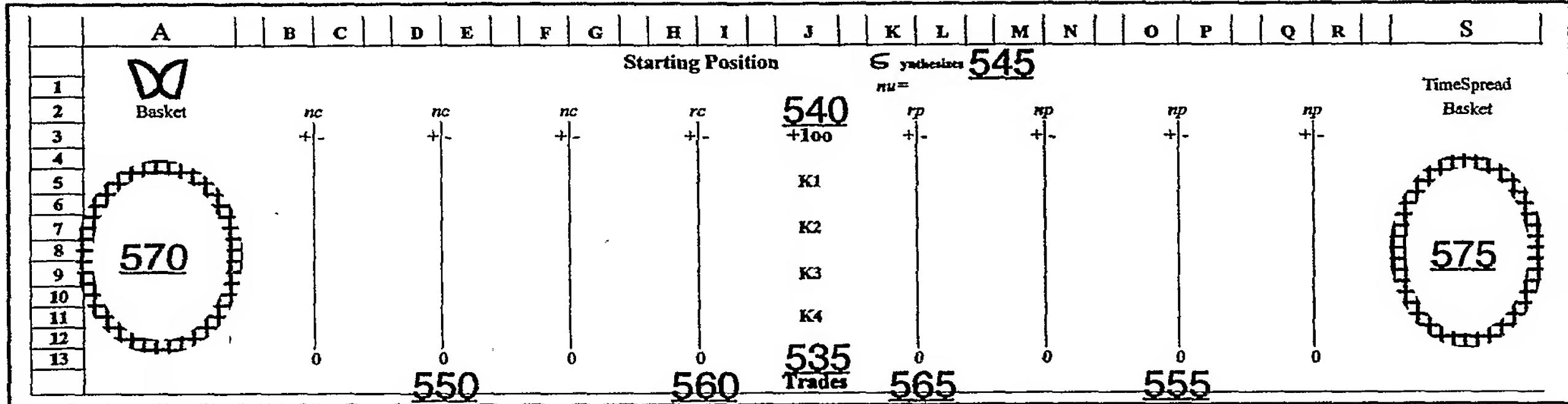


Figure 5

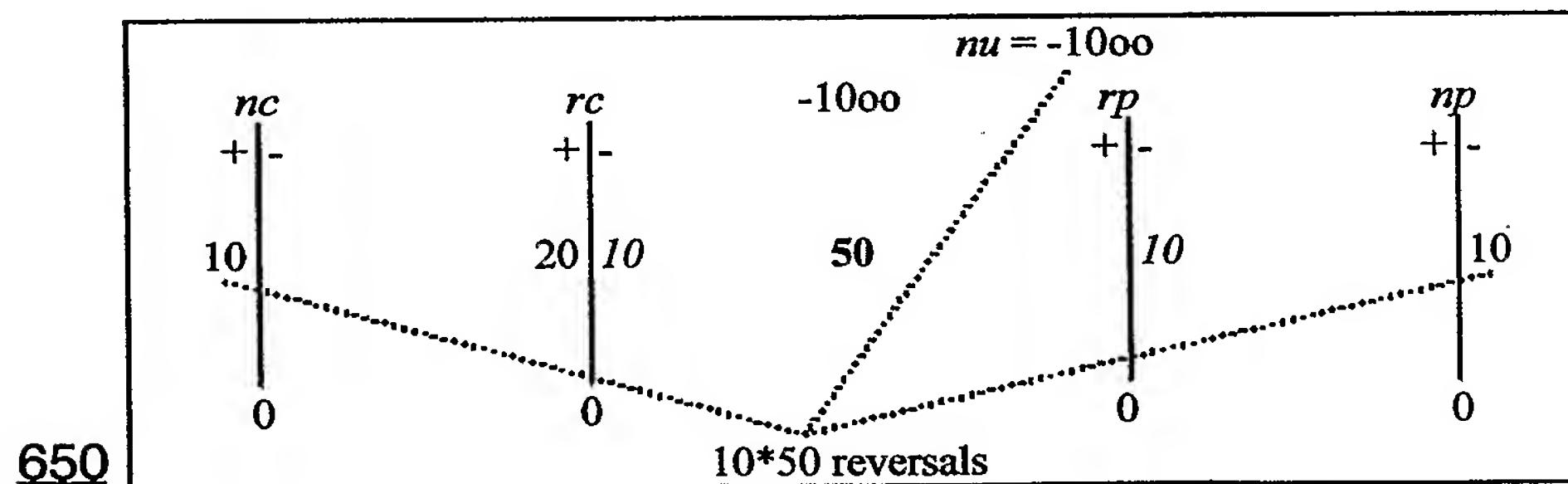
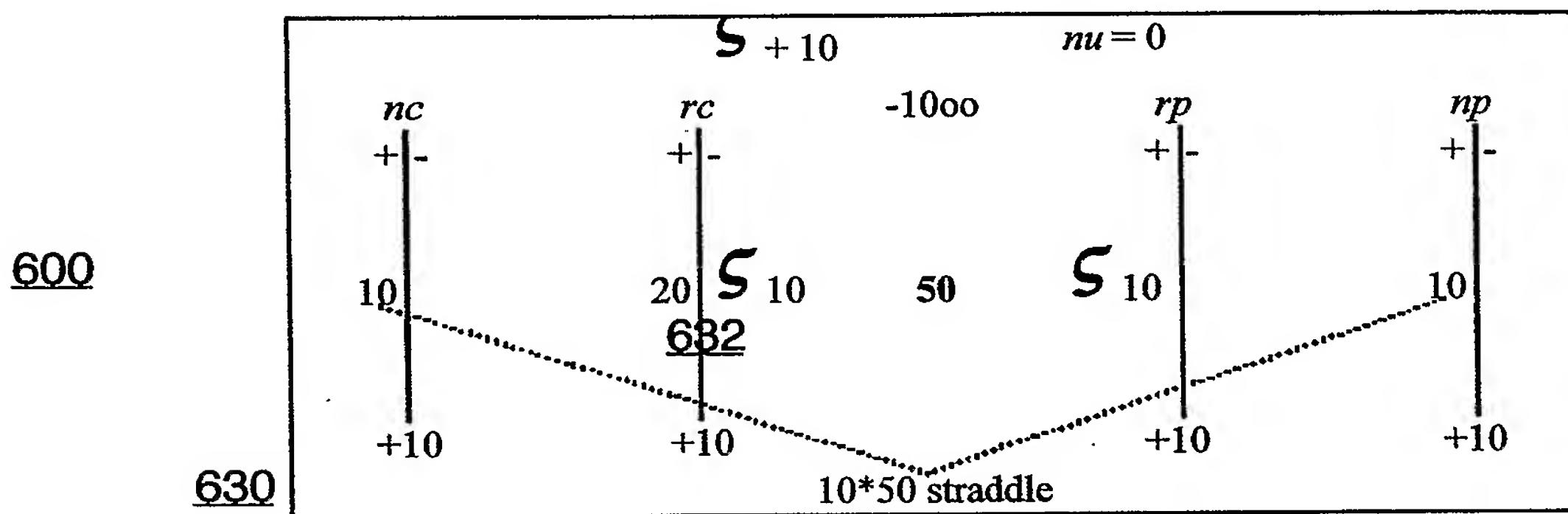
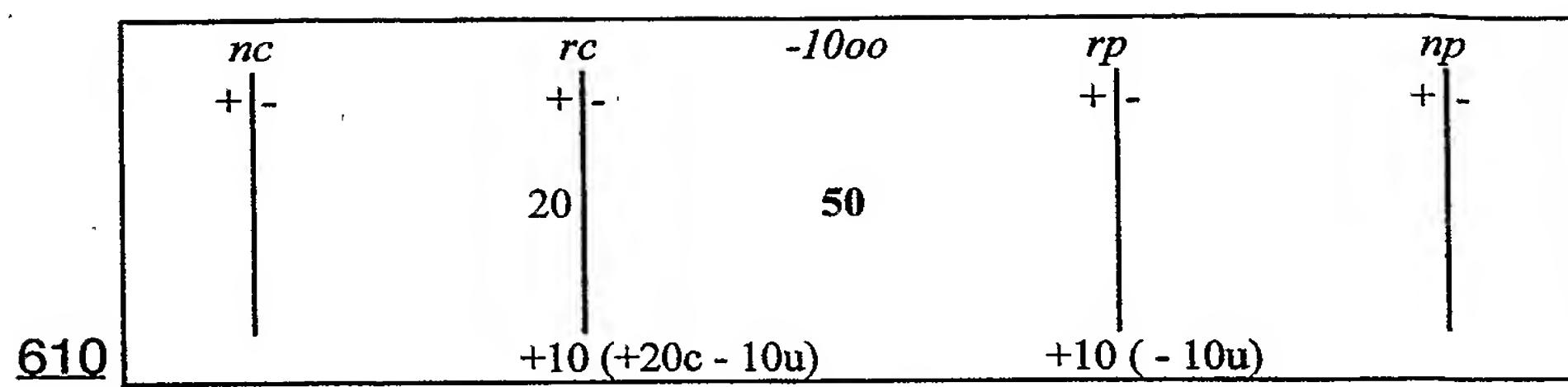
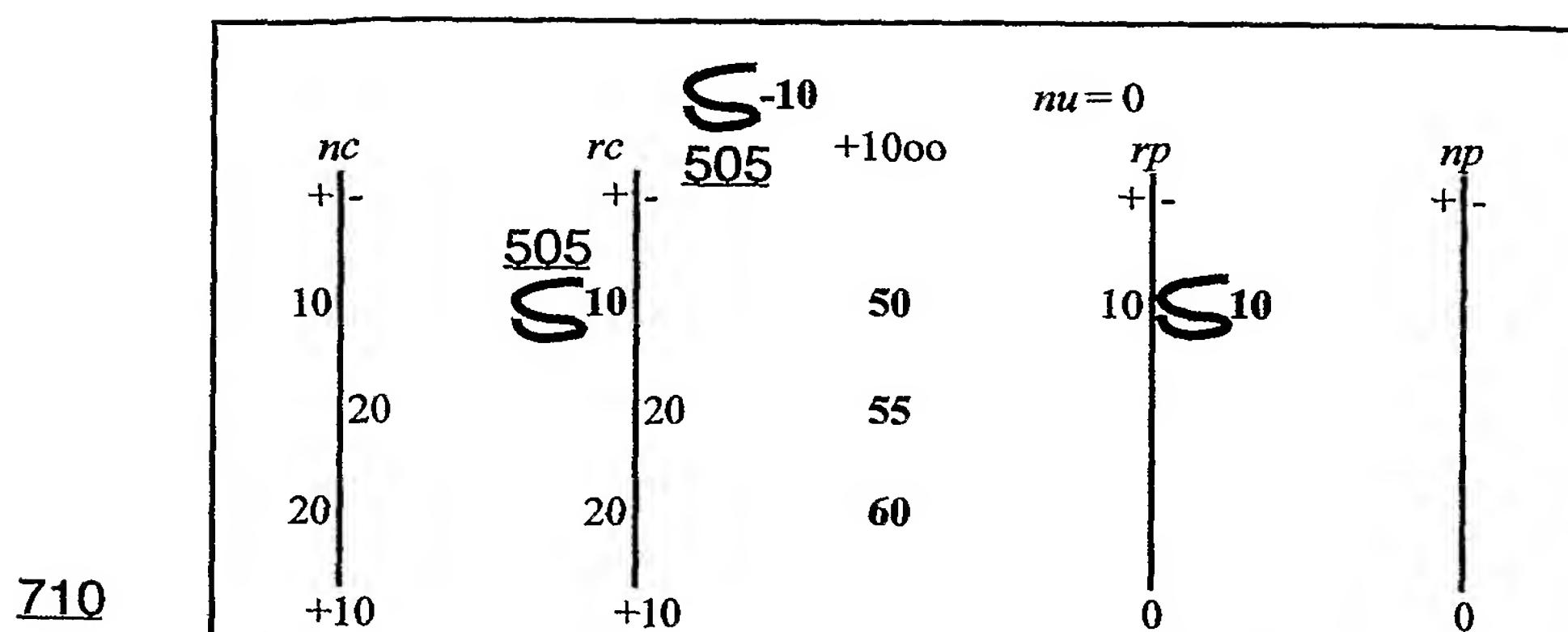
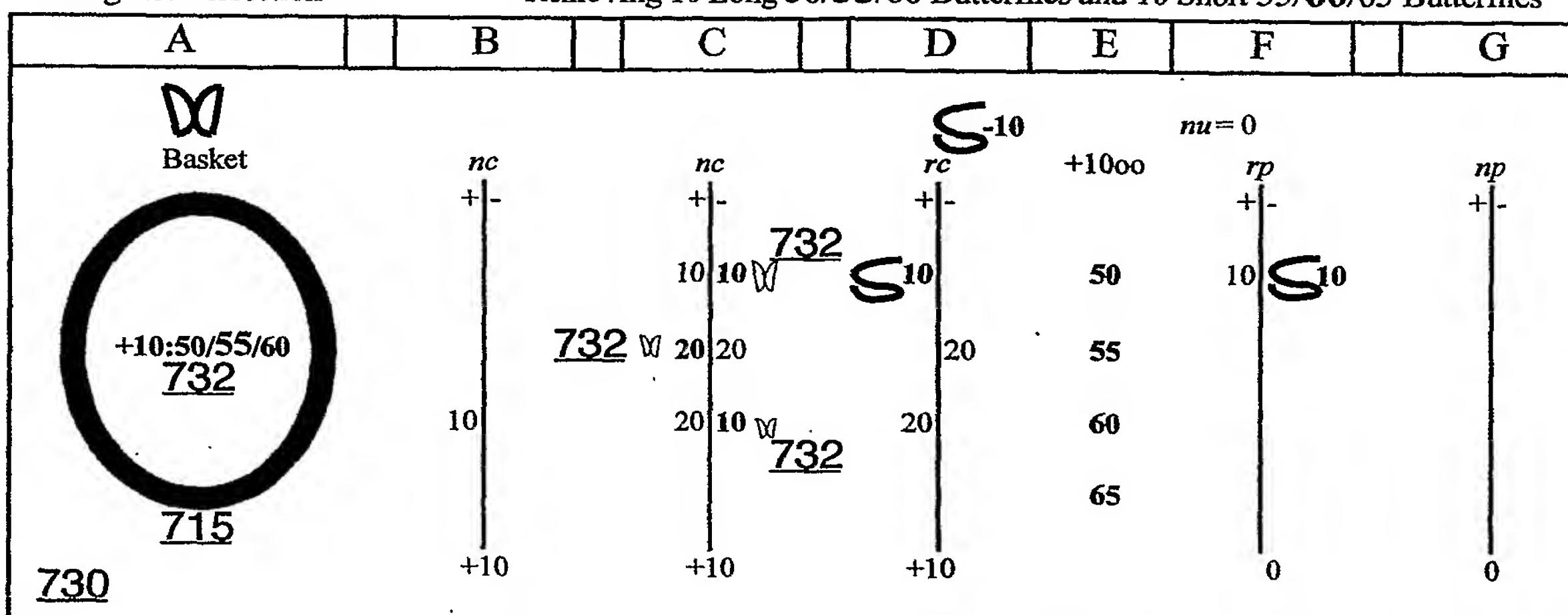


Figure 6



Slingshot Dissection

- Removing 10 Long 50/55/60 Butterflies and 10 Short 55/60/65 Butterflies



Dissection of a Diagonal

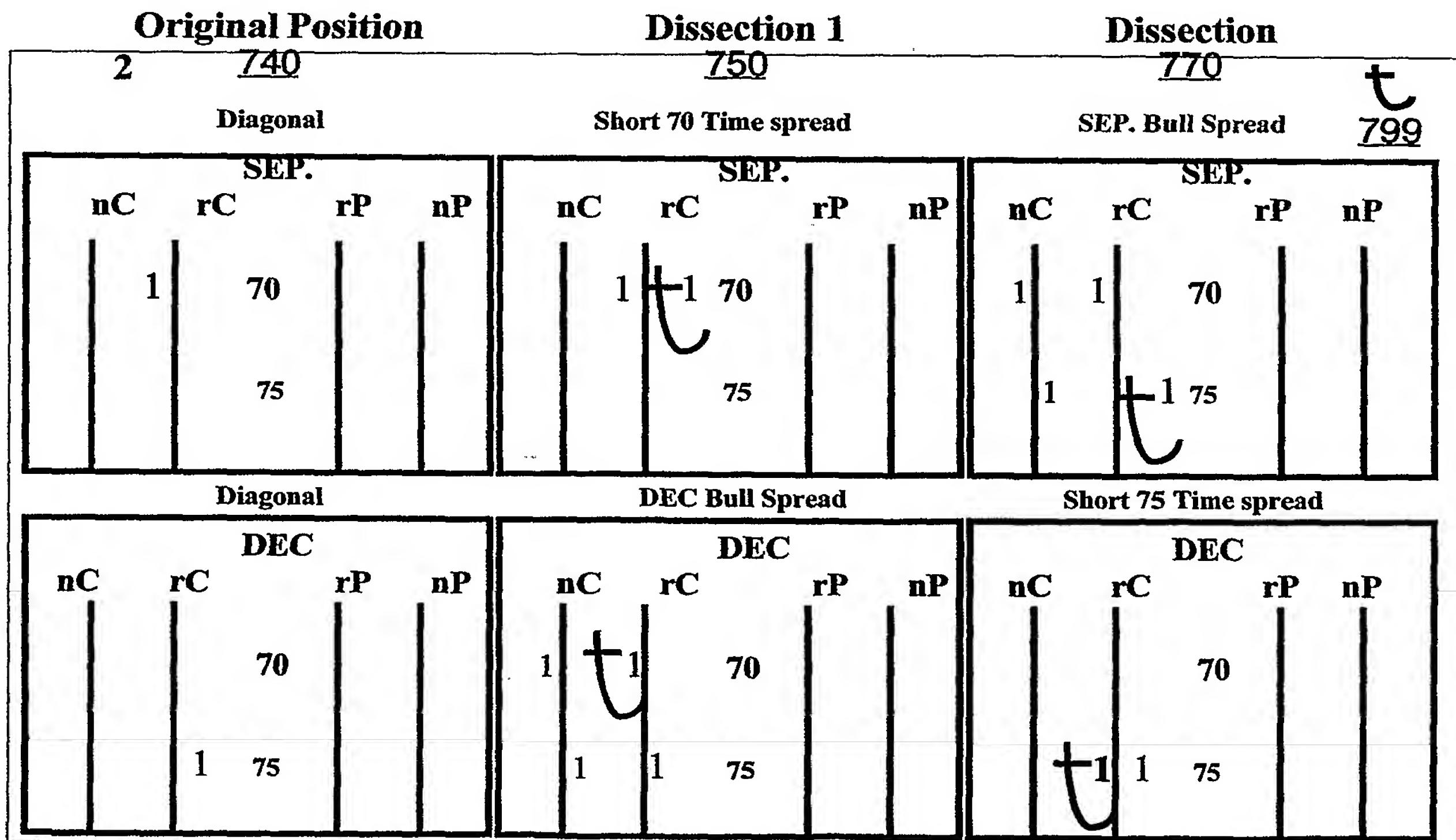


Figure 7

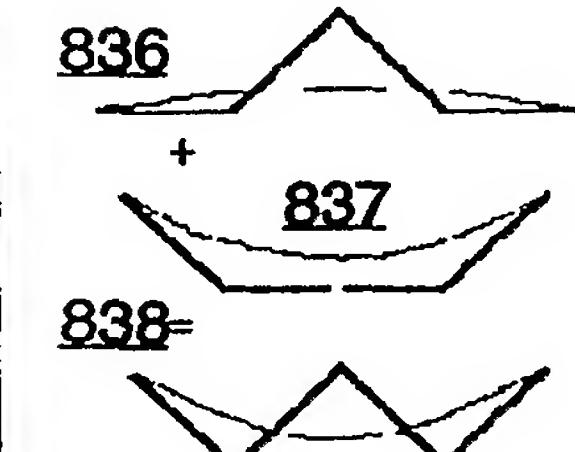
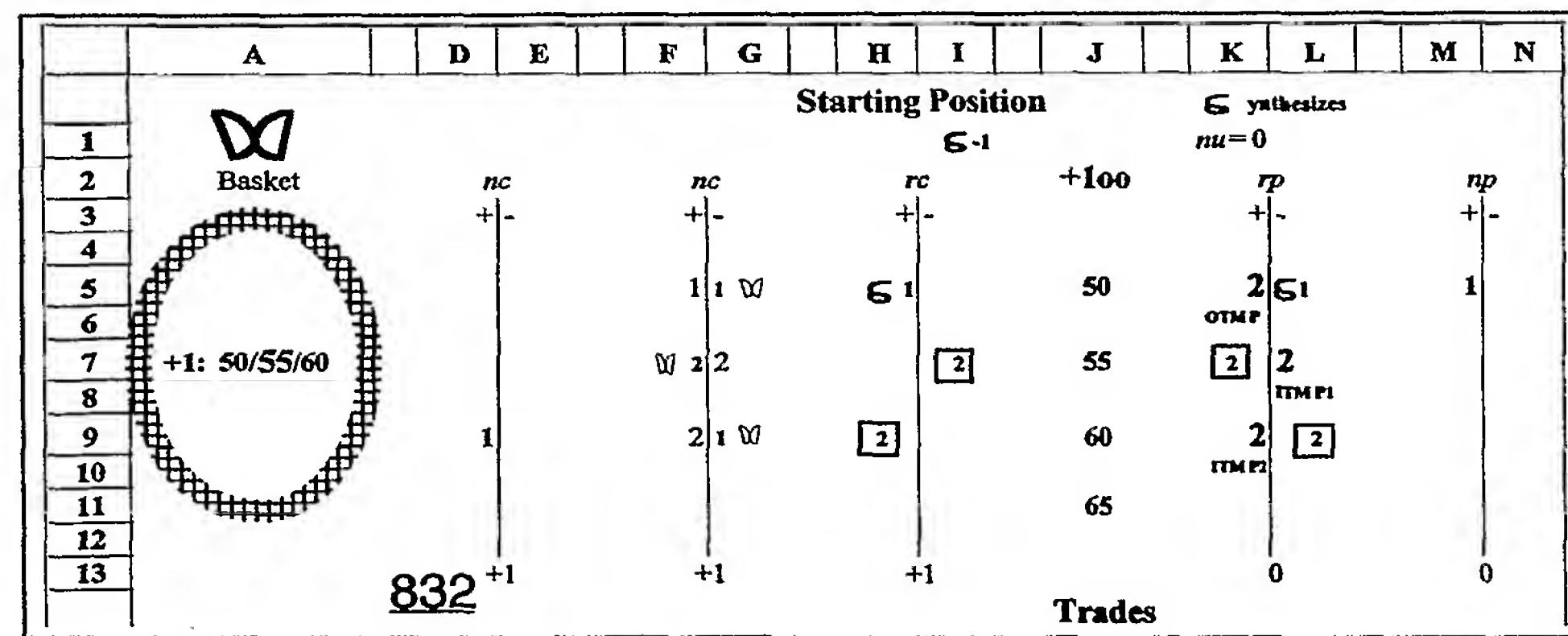
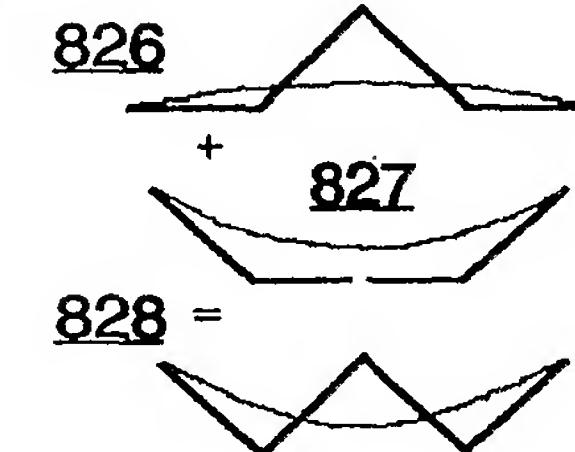
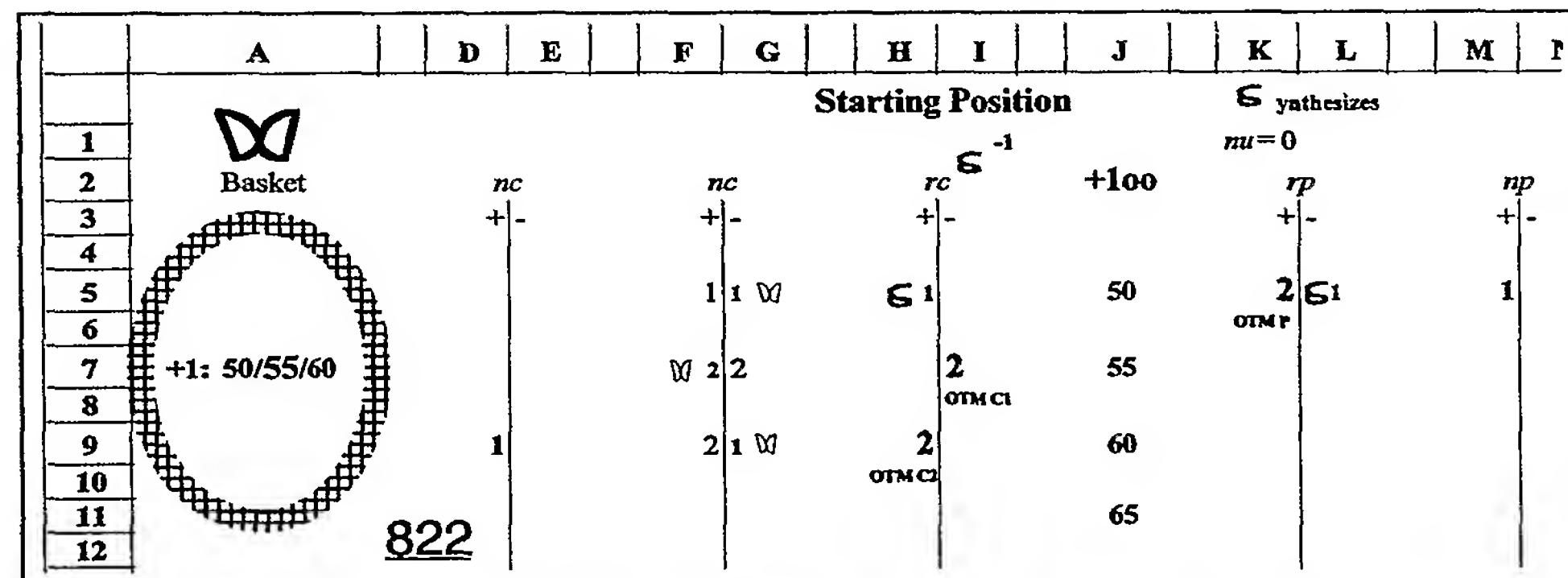
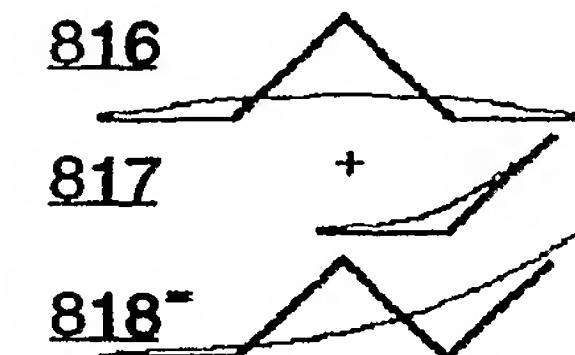
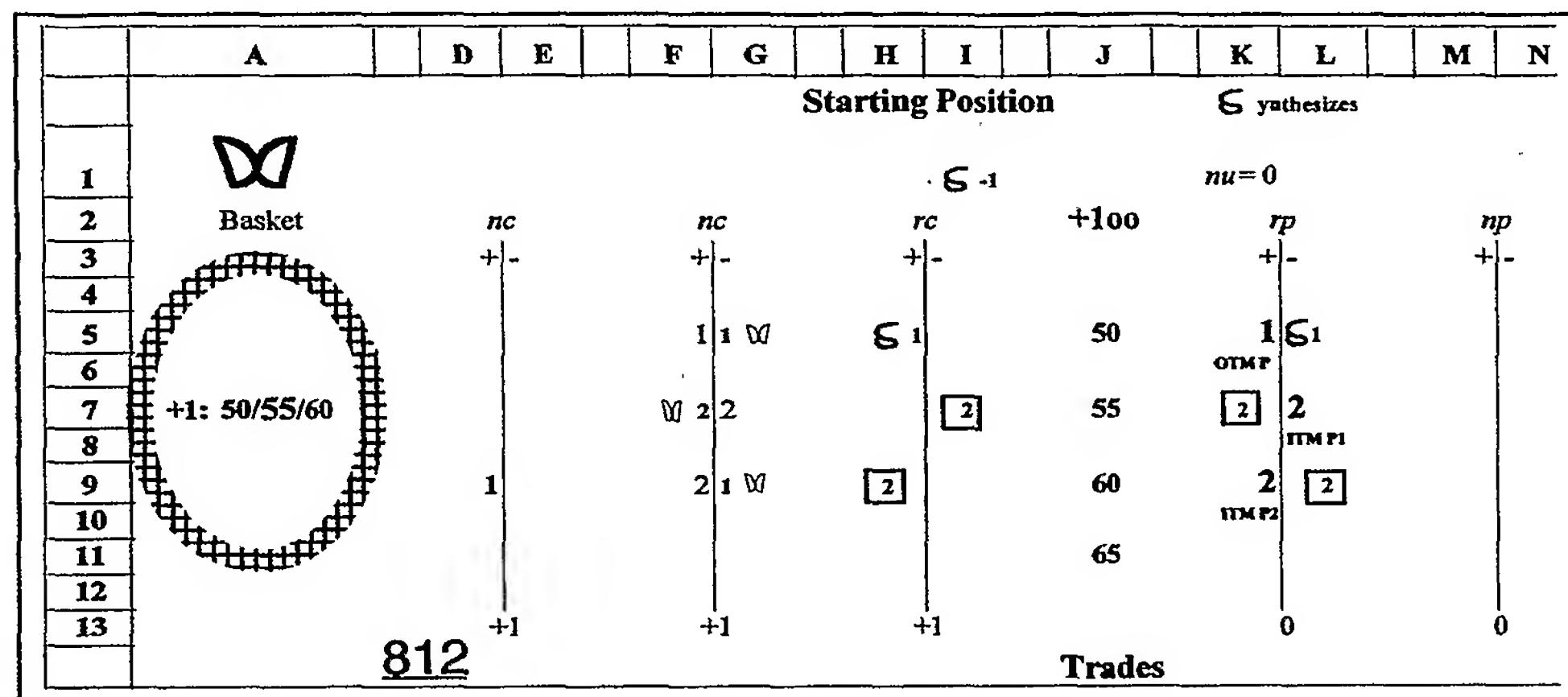
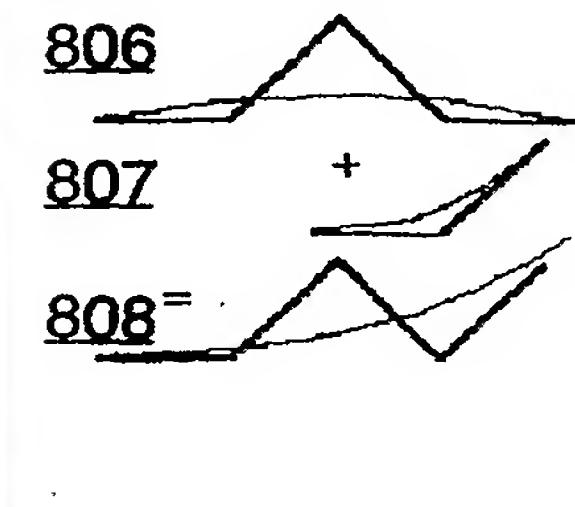
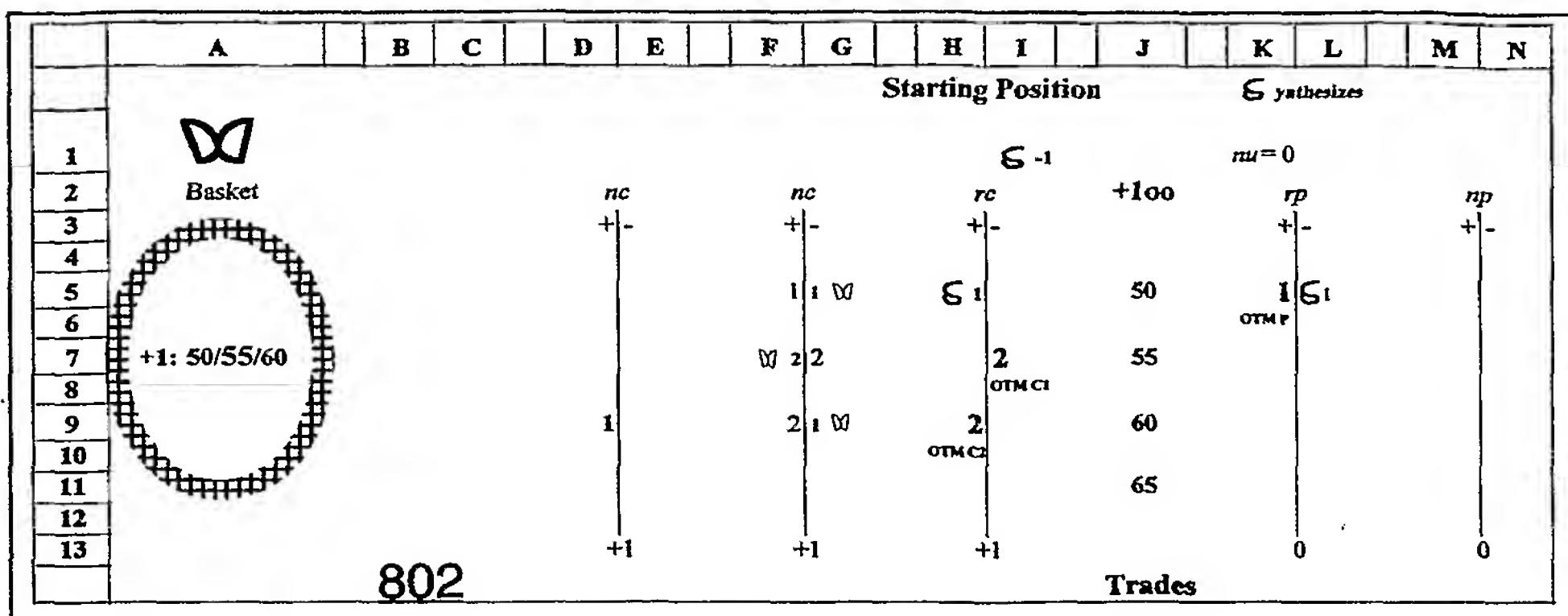


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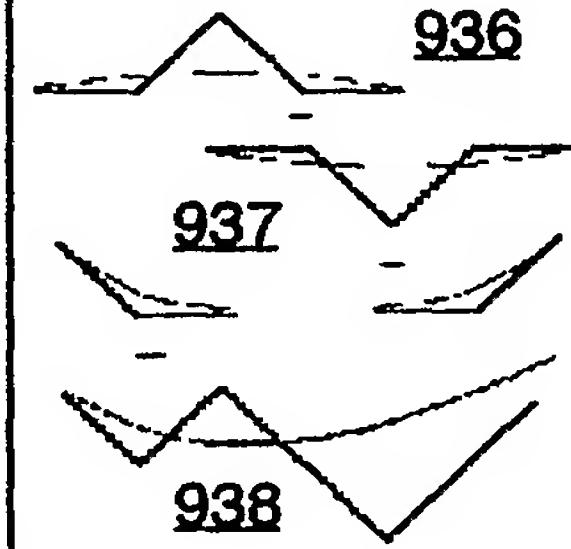
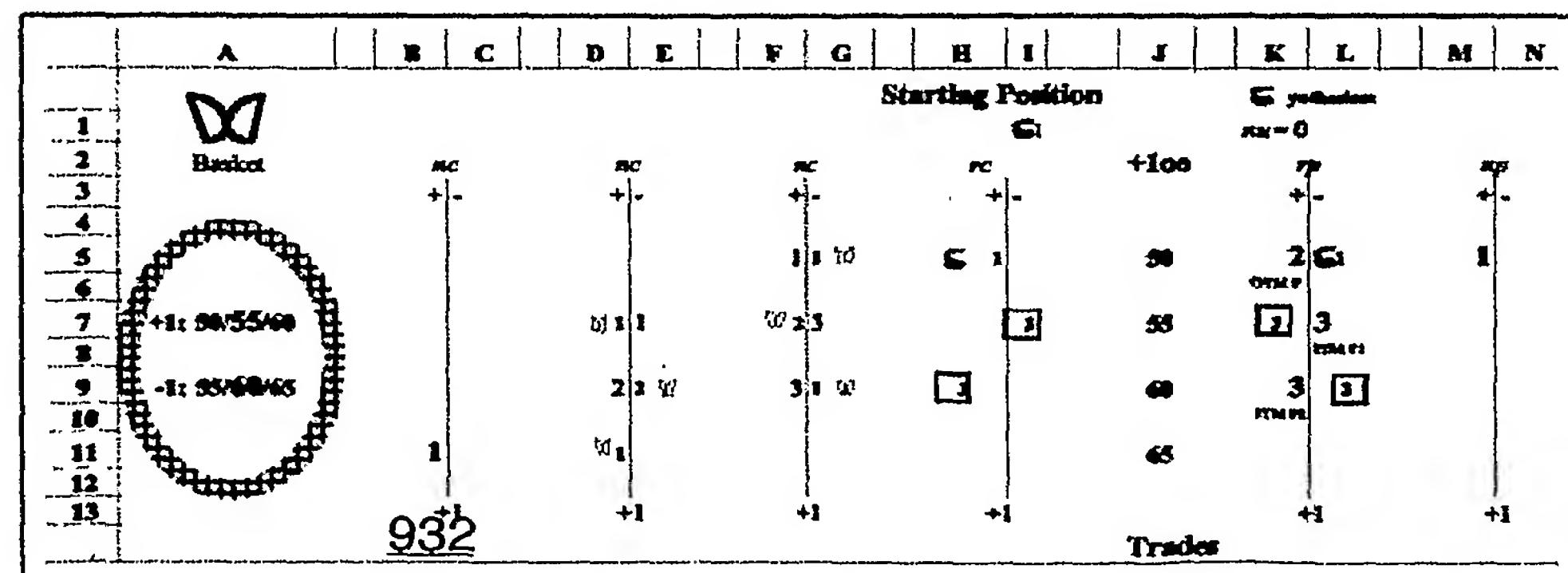
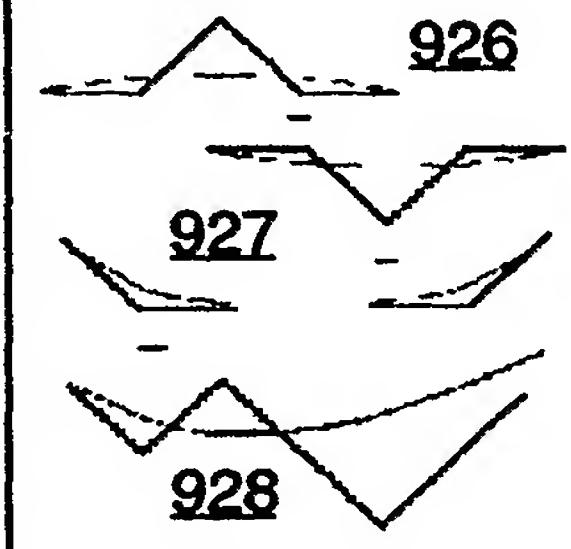
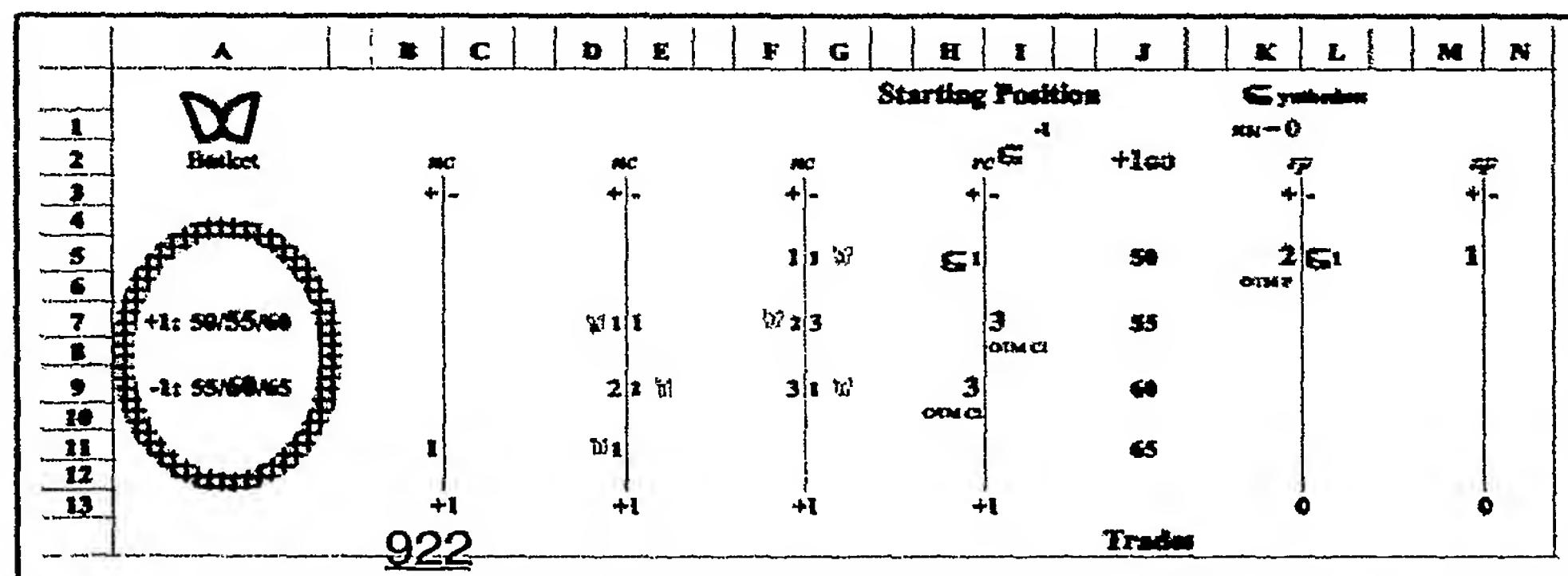
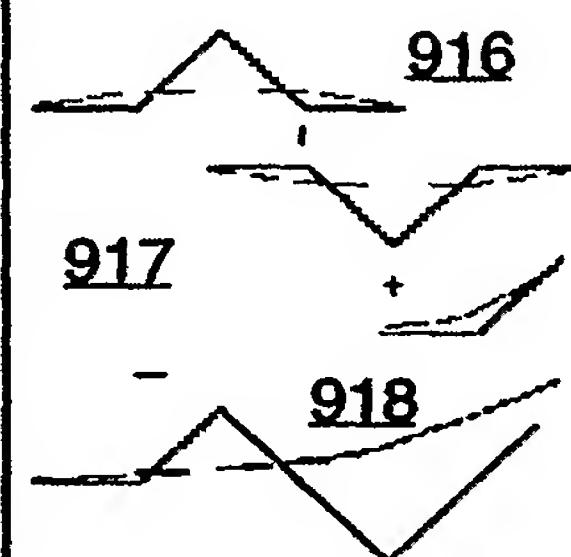
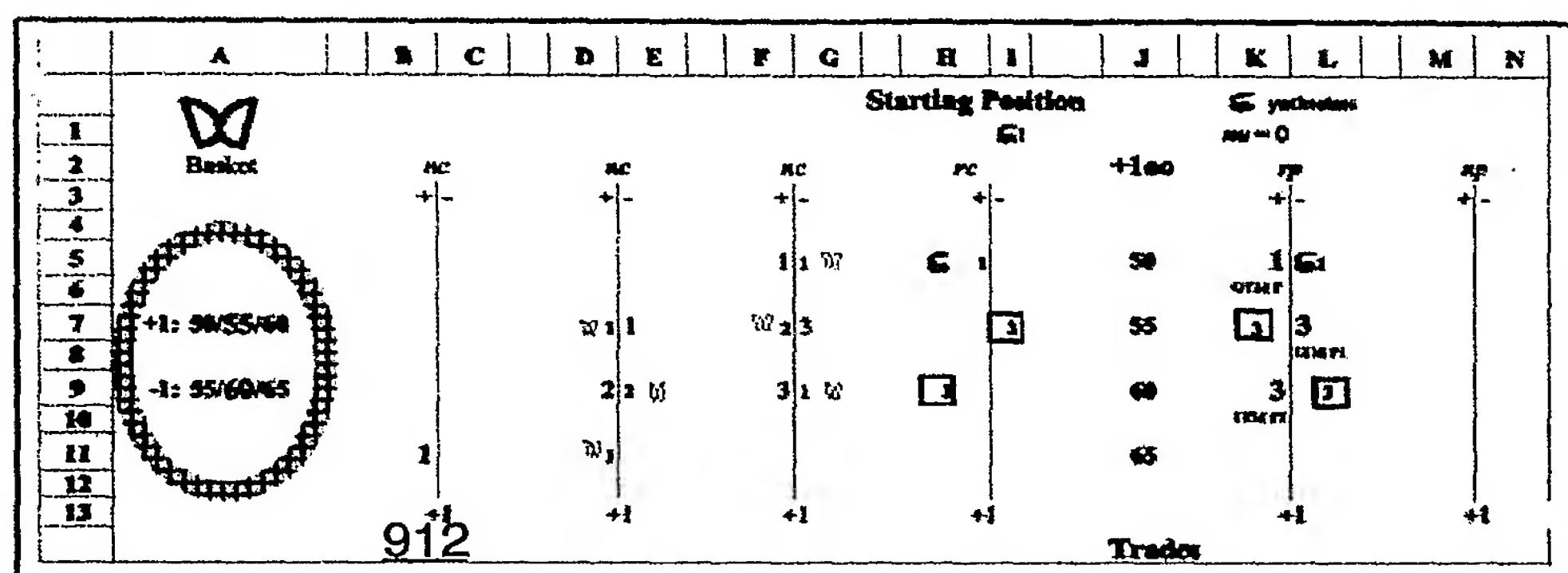
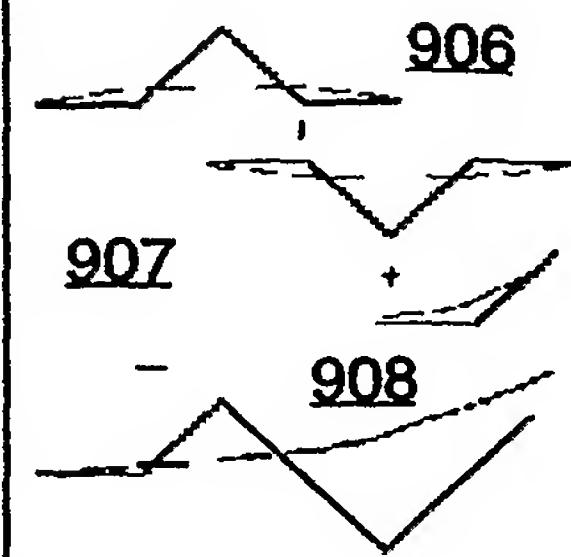
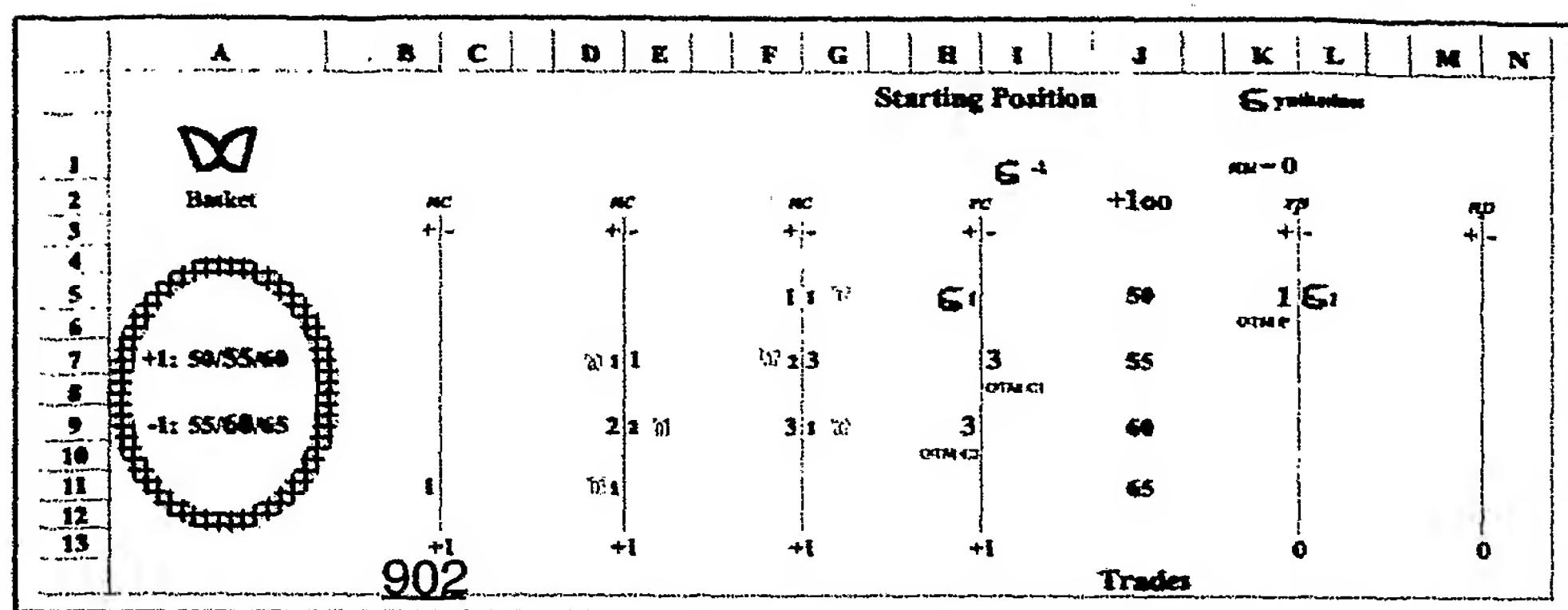
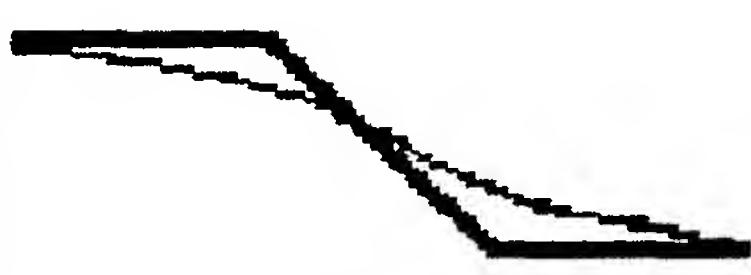
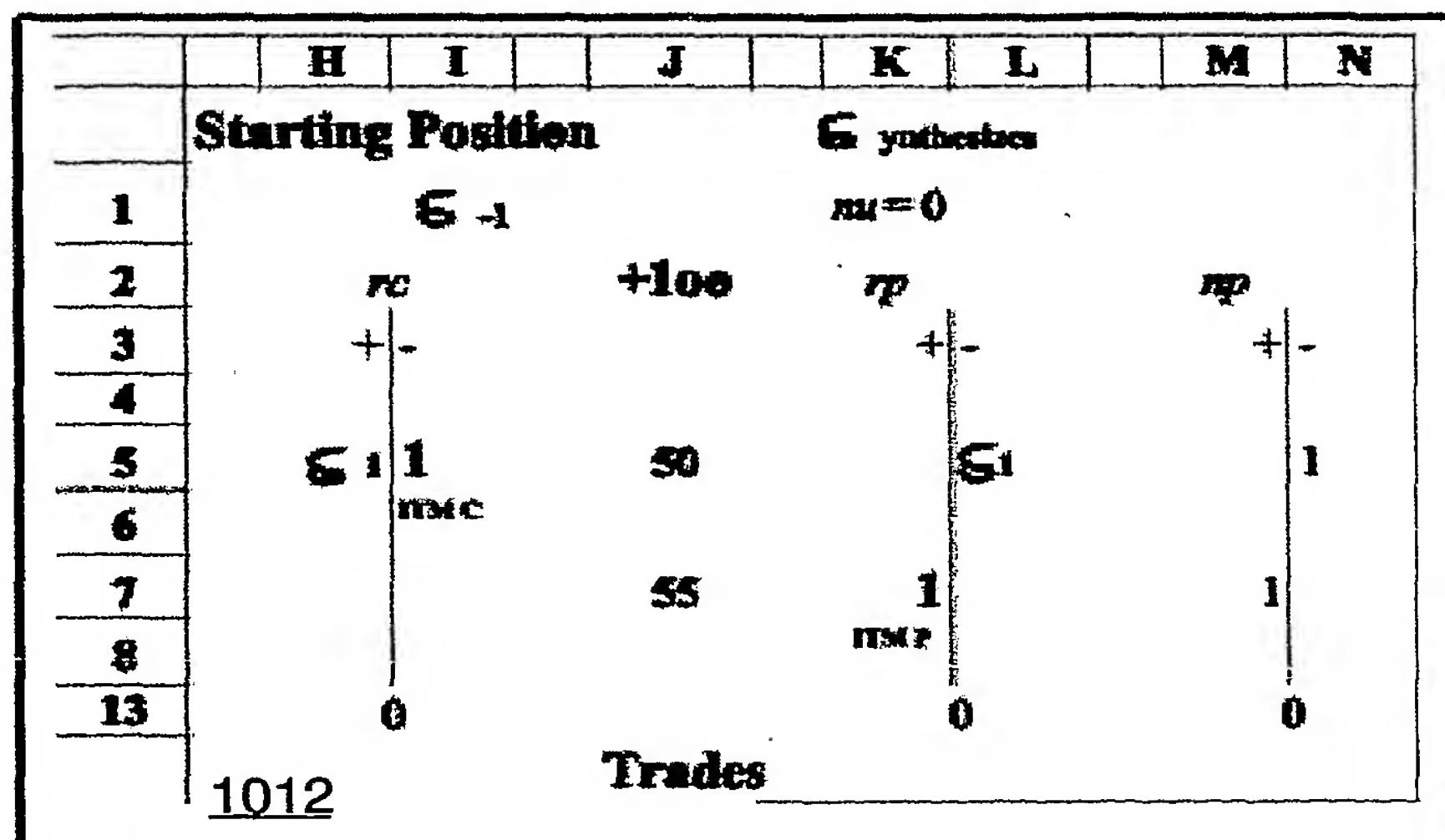
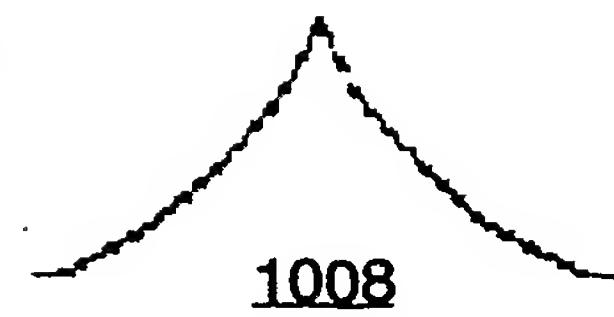
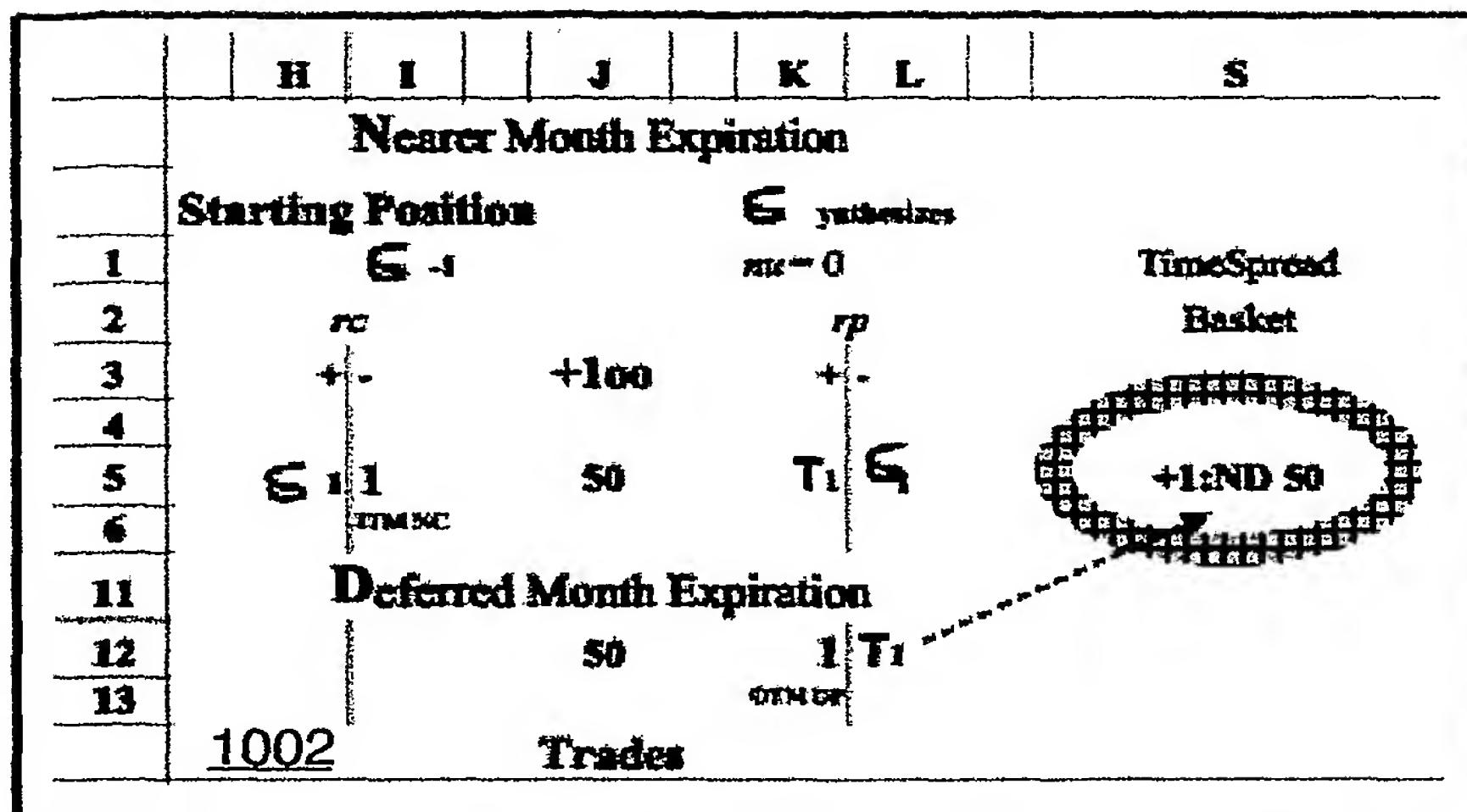
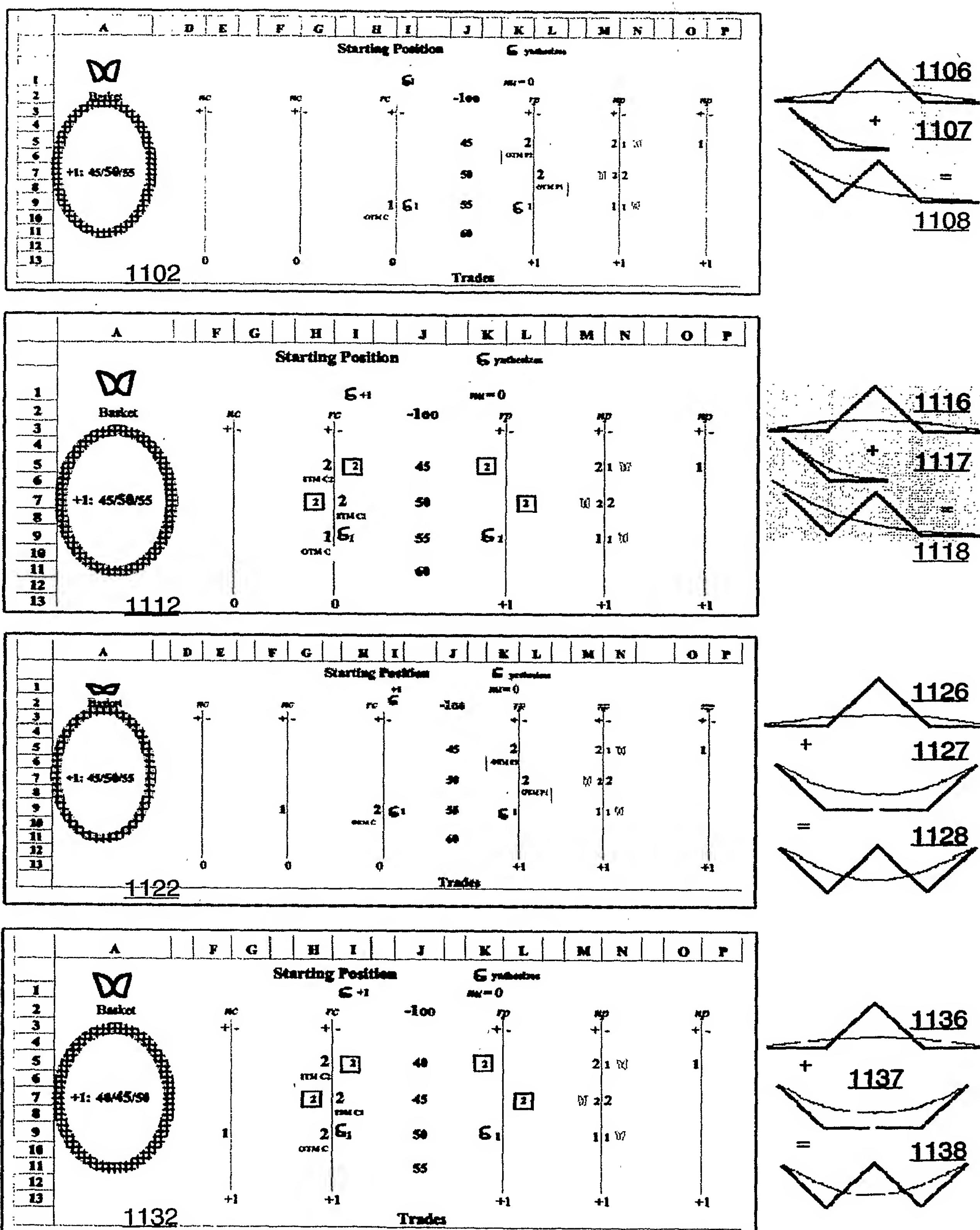


Figure 9



**Figure 10**



**Figure 11**

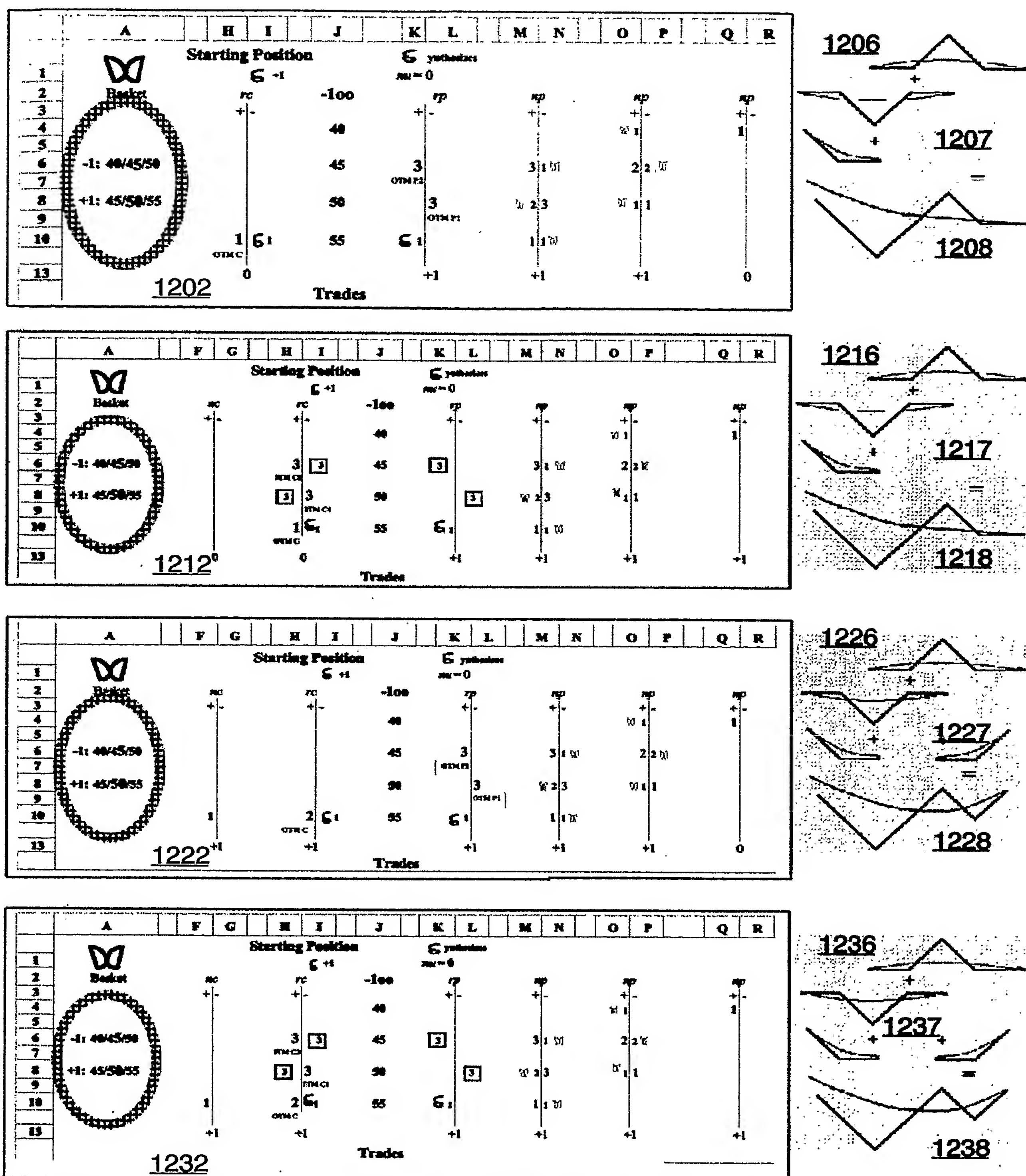
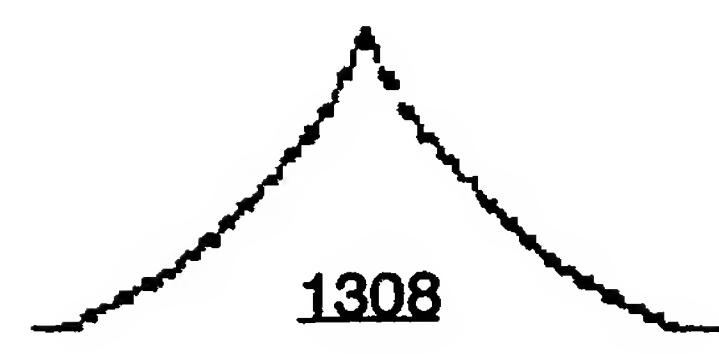


Figure 12

	H	I	J	K	L	S
<b>Nearer Month Expiration</b>						
1						
2						
3						
4						
5						
6						
11						
12						
13						
<b>Starting Position</b>						
	<b>G</b>					
1	<b>G</b>	<b>-1</b>				
2						
3						
4						
5						
6						
11						
12						
13						
<b>Deferred Month Expiration</b>						
	<b>G</b>	<b>1</b>	<b>G</b>	<b>1</b>		
1	<b>G</b>	<b>1</b>	<b>G</b>	<b>1</b>		
2						
3						
4						
5						
6						
11						
12						
13						
<b>Trades</b>						
	<b>1302</b>					



	H	I	J	K	L	M	N
<b>Starting Position</b>							
	<b>G</b>						
1	<b>G</b>	<b>-1</b>					
2							
3							
4							
5							
6							
7							
8							
13		<b>0</b>					
<b>Trades</b>							
	<b>1312</b>						

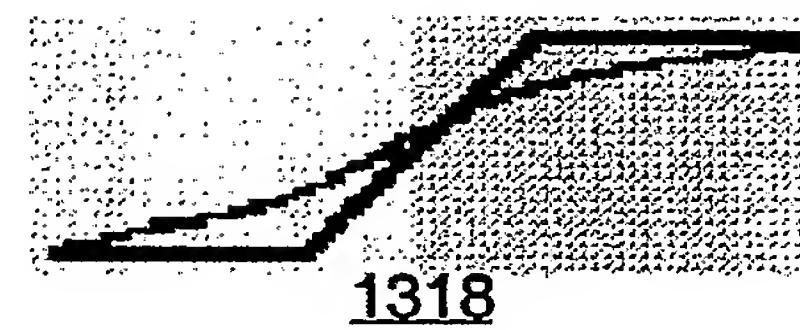
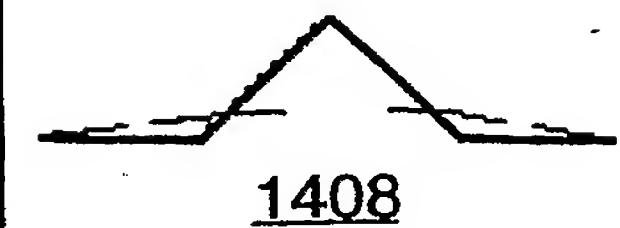
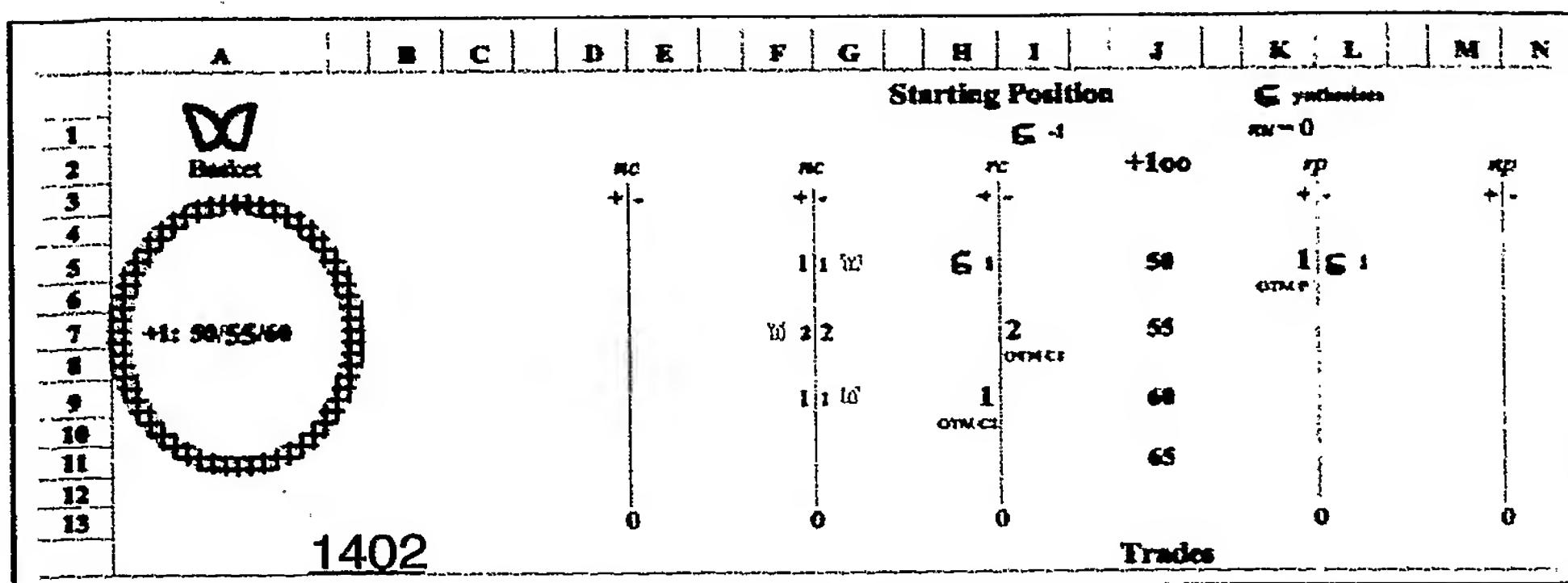
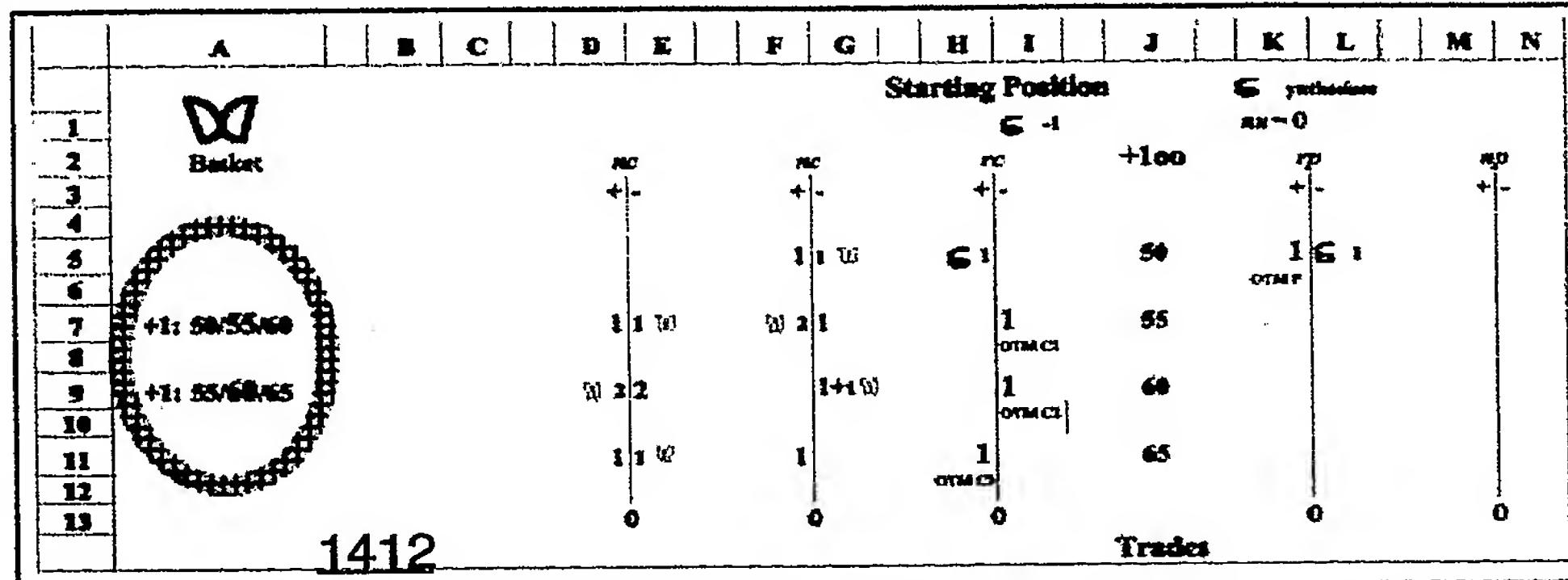


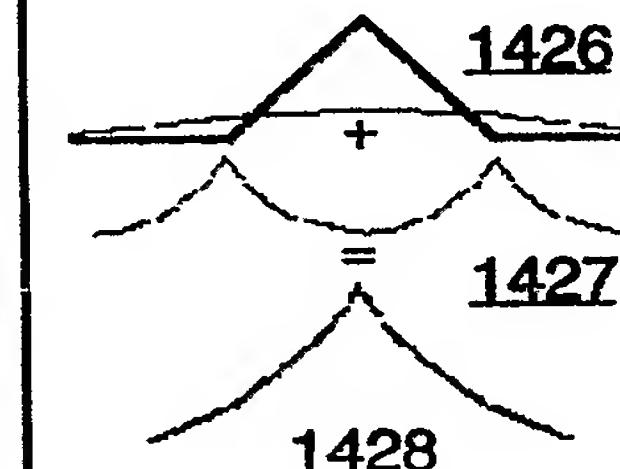
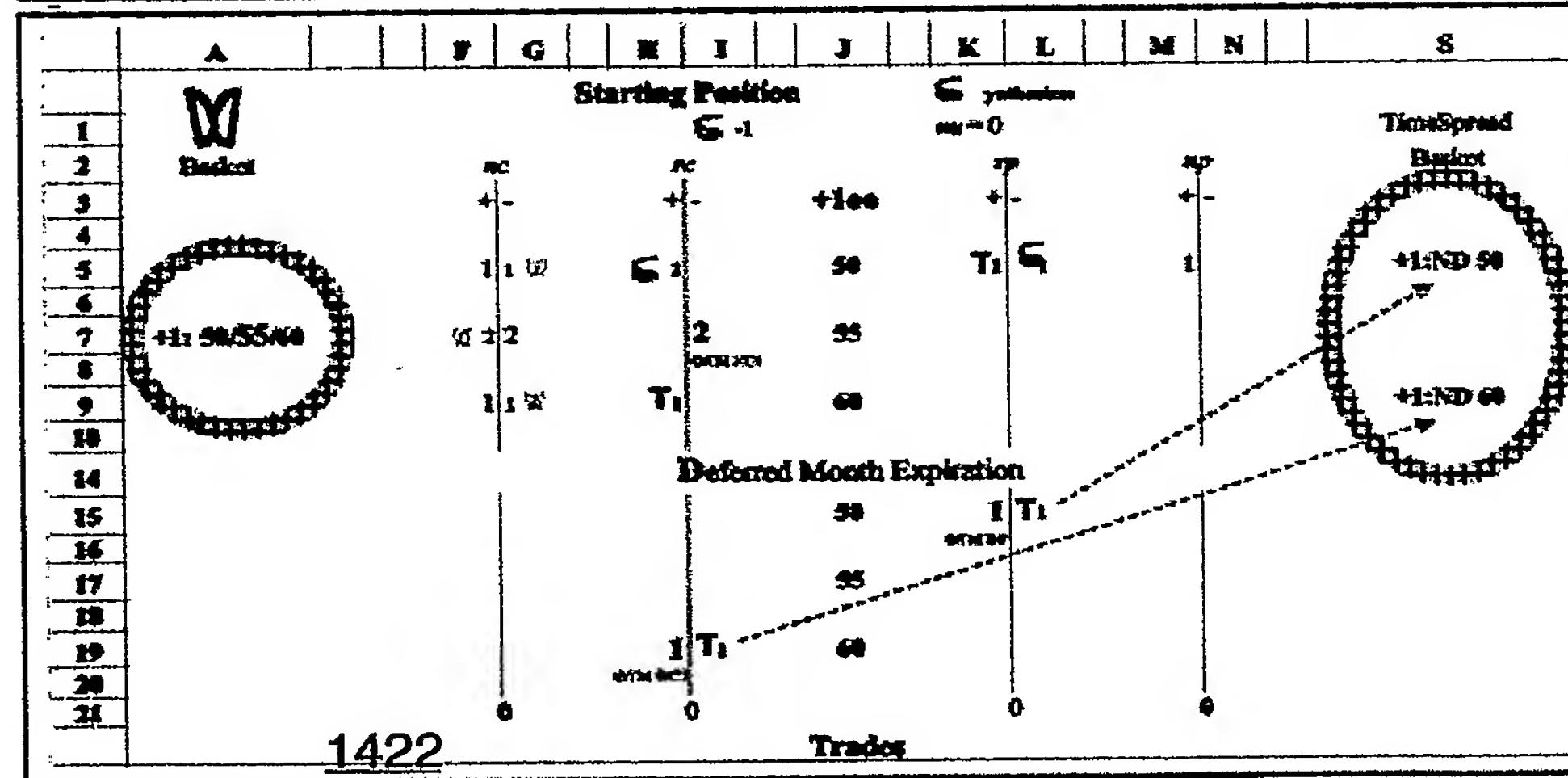
Figure 13



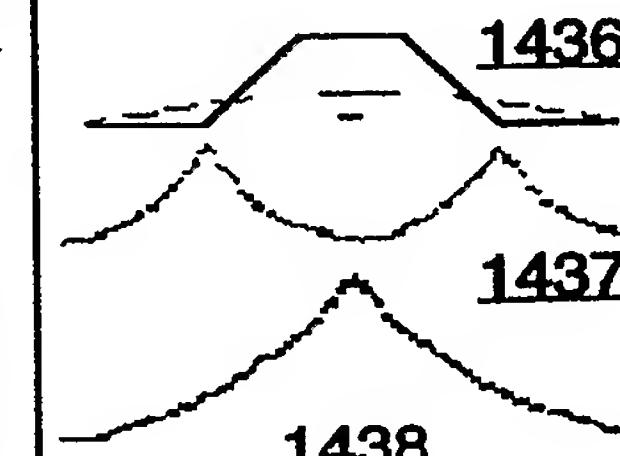
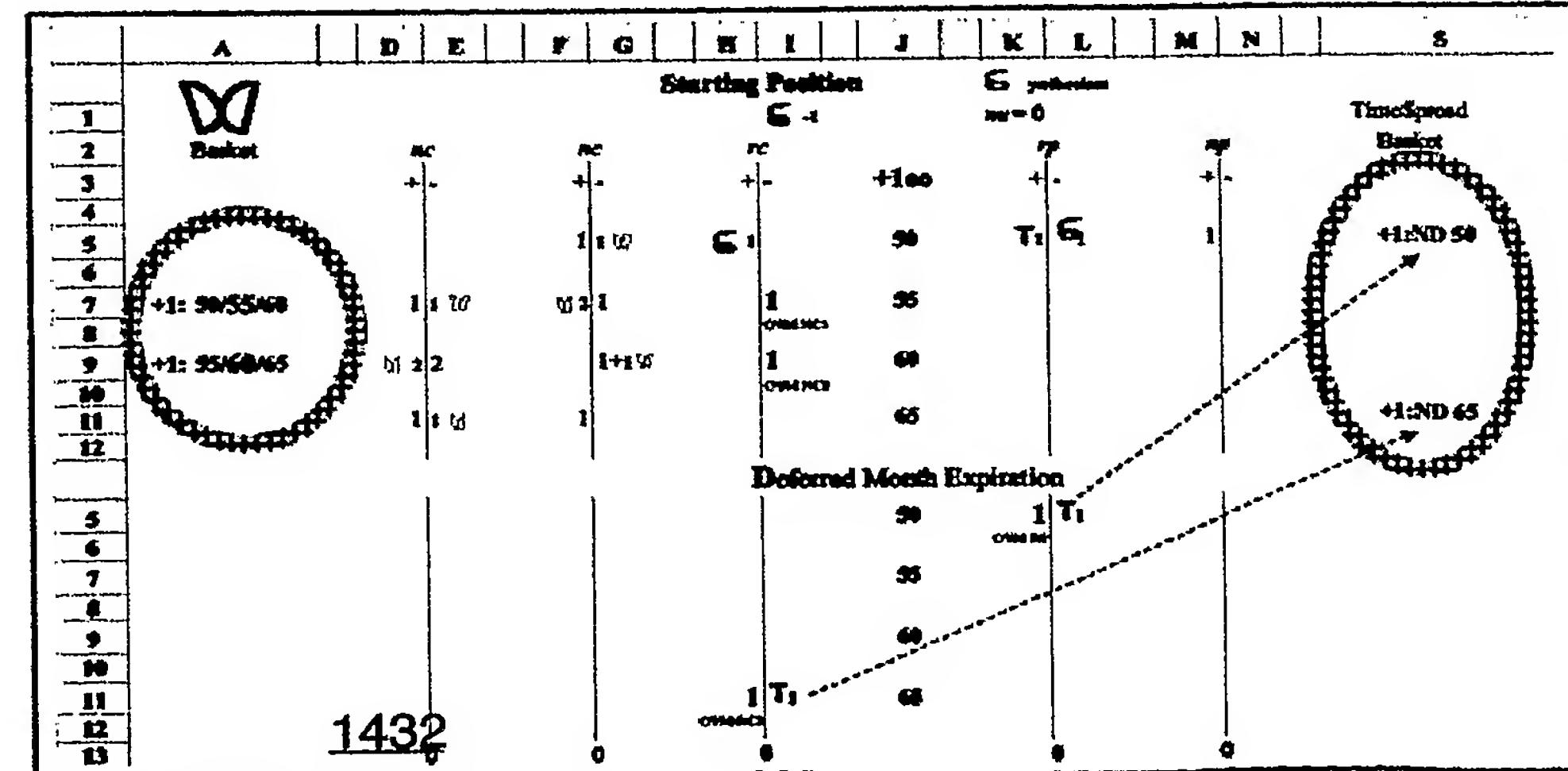
1402



1412



1422



1432

**Figure 14**

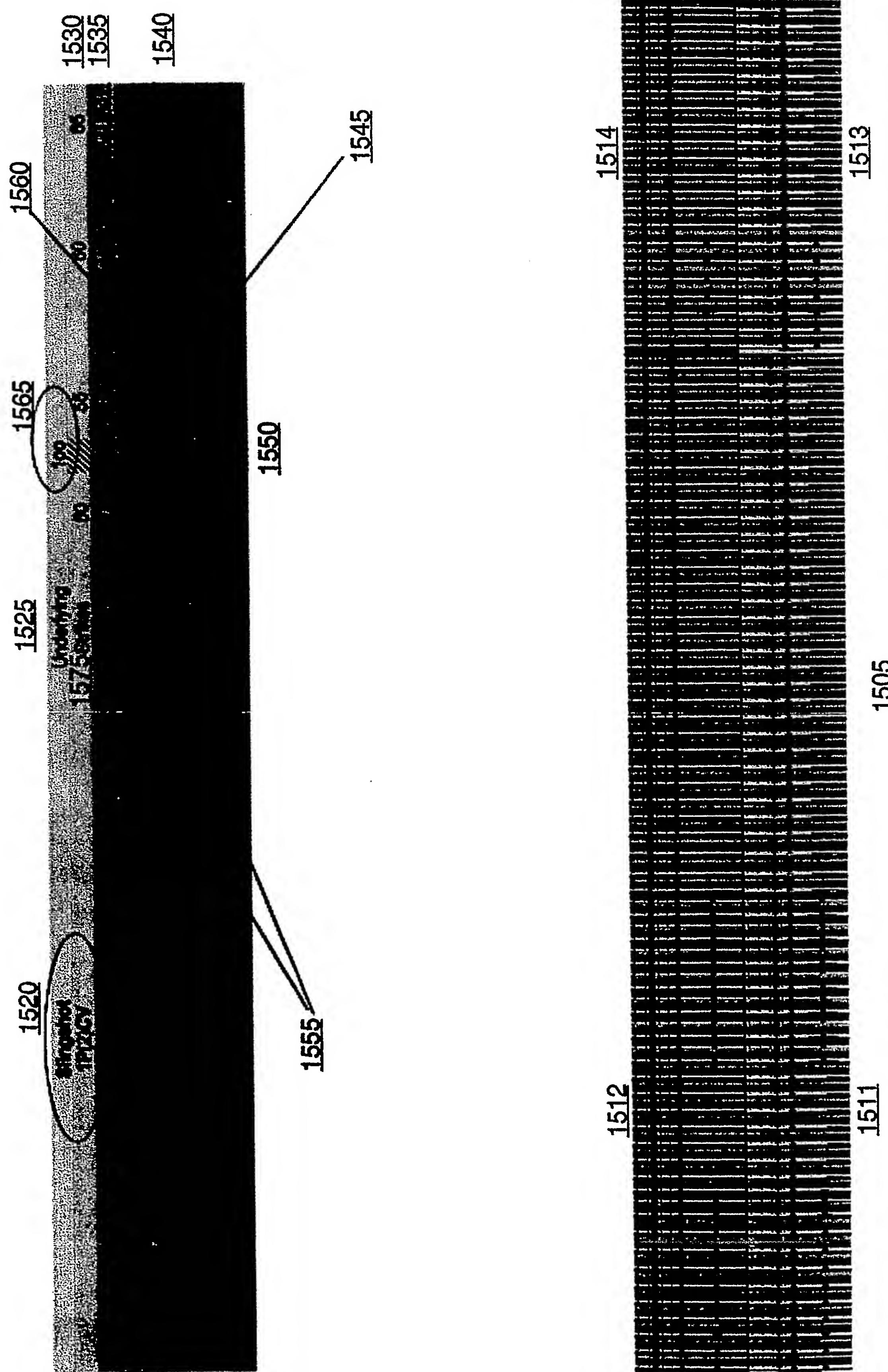


Figure 15

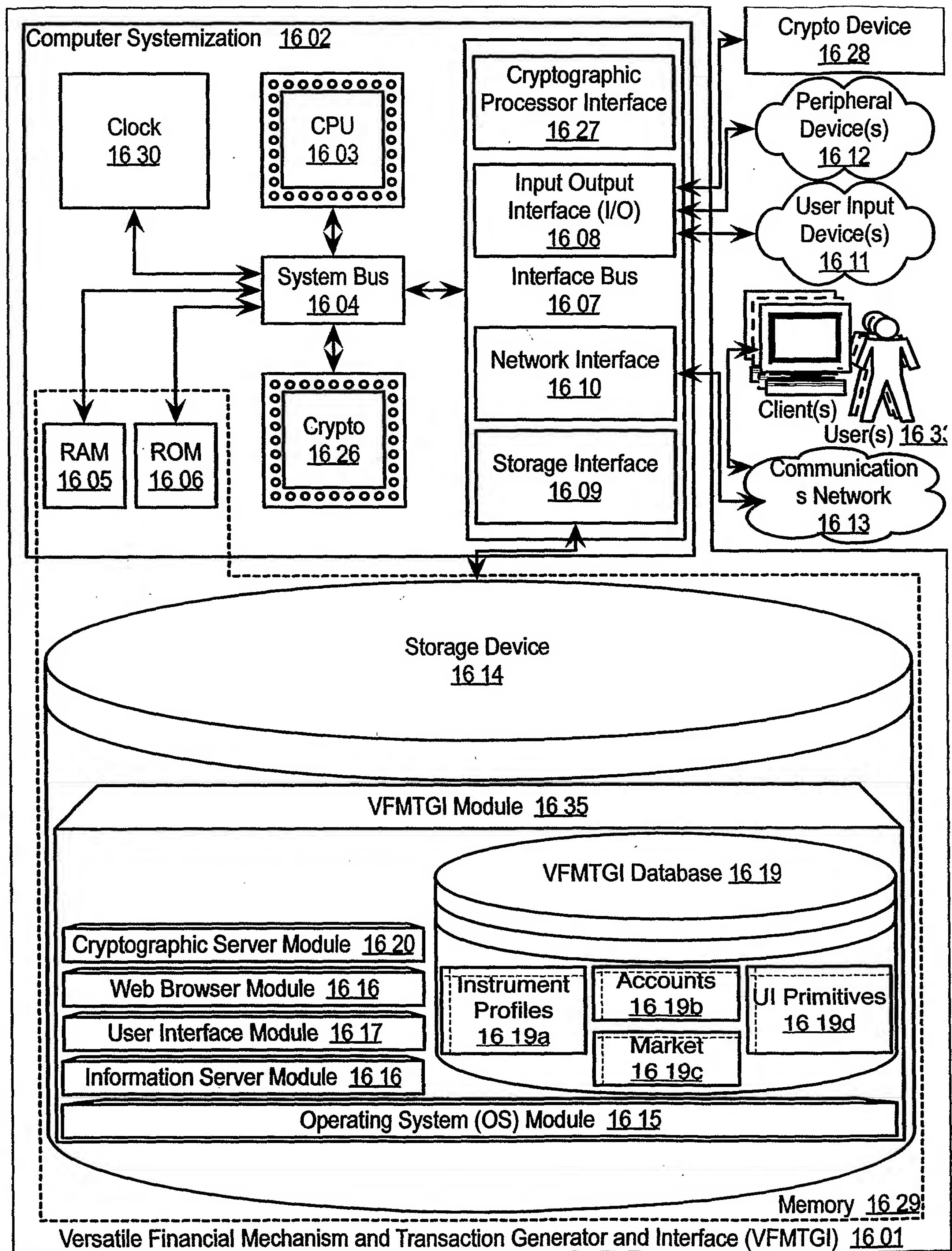


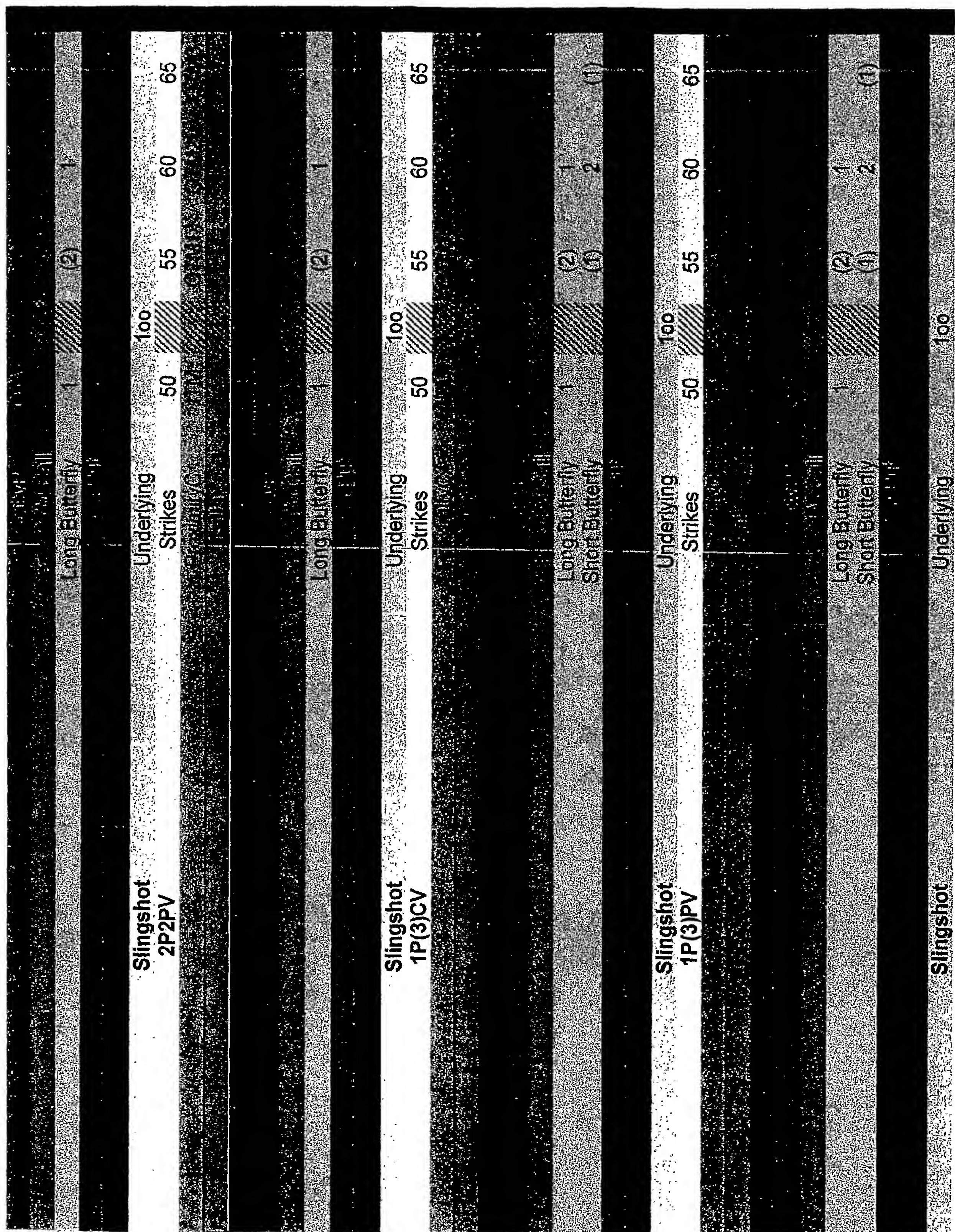
Figure 16

## Appendix 1: Long Underlying Hybrid Hedges

**Long Underlying Hybrid Hedges**

Slingshot	Underlying	100	55	60	65
	Strikes	50			
1P(2)CV					
1P2PV					
2P(2)CV100U					
2P2CV					

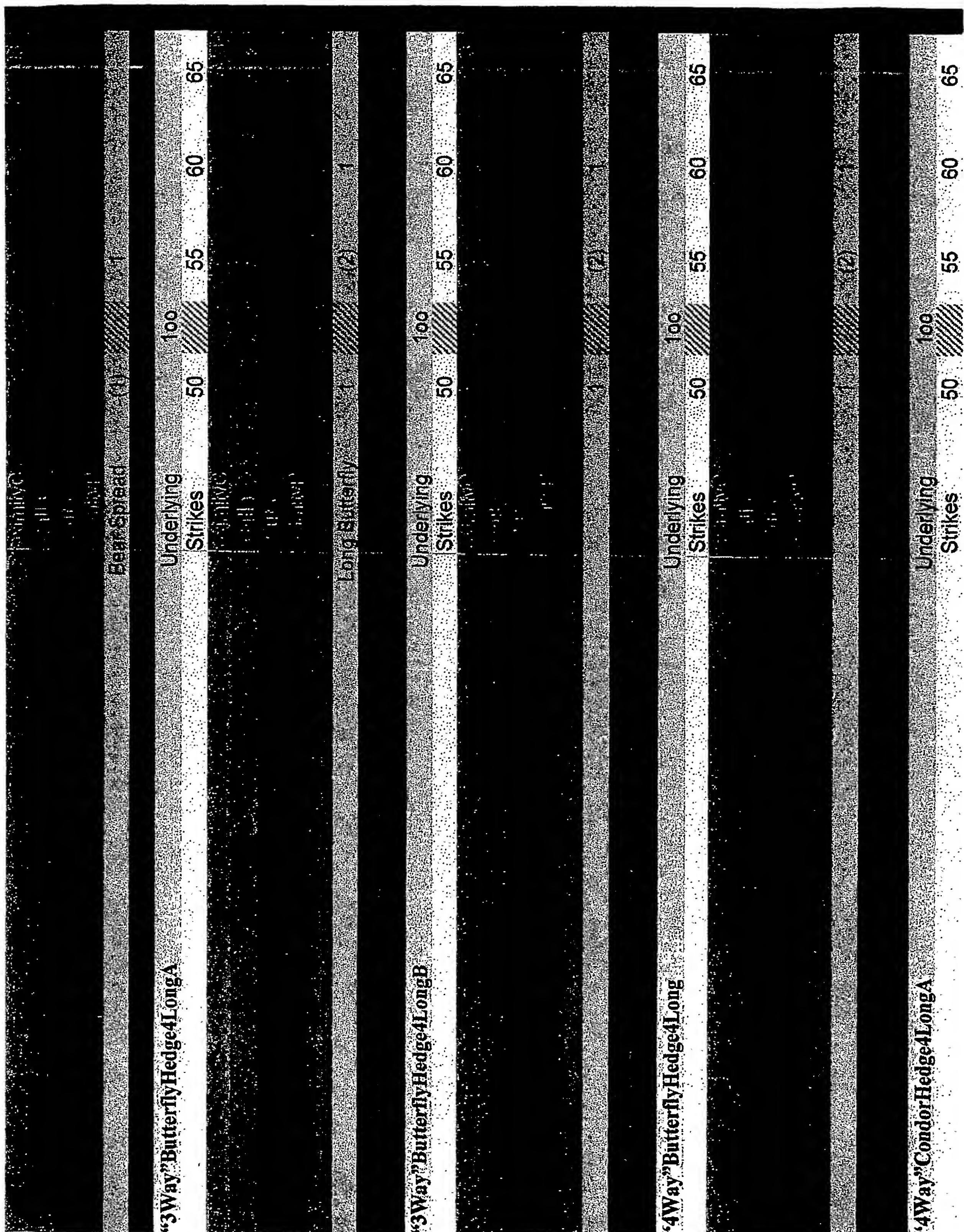
## Appendix 1: Long Underlying Hybrid Hedges



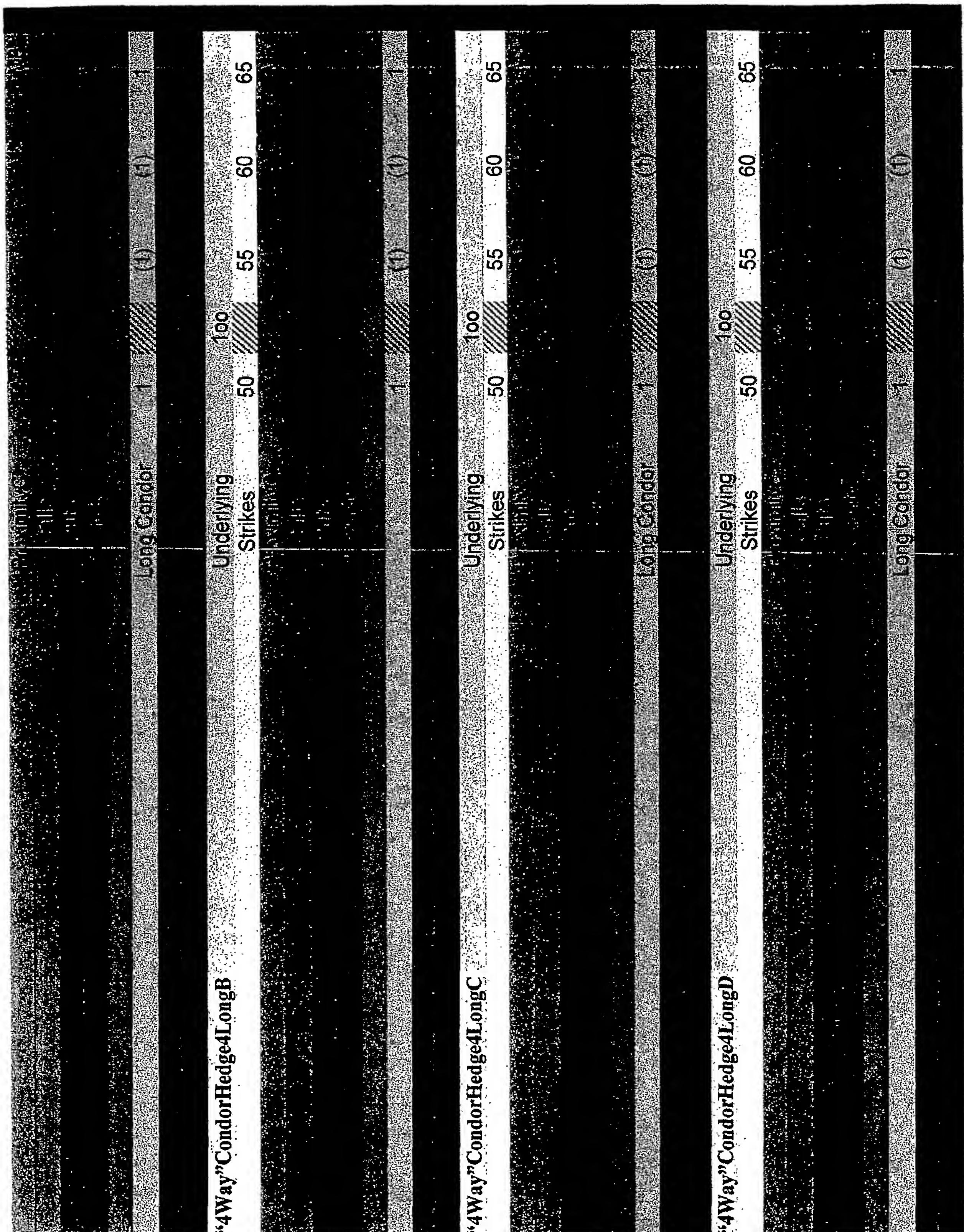
## Appendix 1: Long Underlying Hybrid Hedges

	Underlying	Strikes	50	55	60	65
2P(3)CV						
Long	Underlying	100	100	100	100	100
Short	Call	50	55	60	65	65
Short	Put	50	55	60	65	65
Slingshot	Underlying	100	100	100	100	100
2P3PV	Strikes	50	55	60	65	65
Calendar Hedges Long	Underlying	100	100	100	100	100
Month 1	Strikes	50	55	60	65	65
Month 2	Strikes	50	55	60	65	65
Bear Collar	Underlying	100	100	100	100	100
	Strikes	50	55	60	65	65

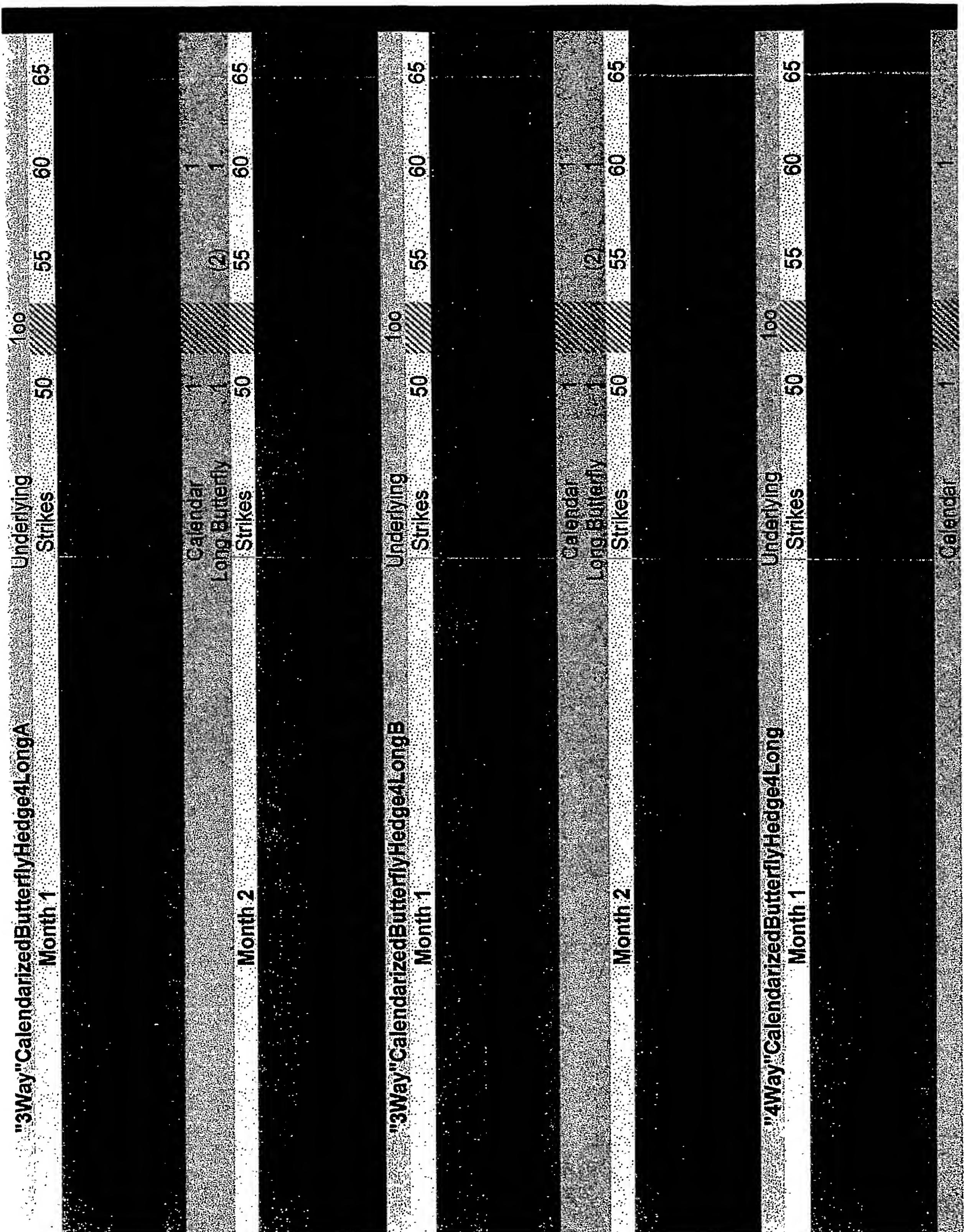
Appendix 1: Long Underlying Hybrid Hedges



Appendix 1: Long Underlying Hybrid Hedges



Appendix 1: Long Underlying Hybrid Hedges



## Appendix 1: Long Underlying Hybrid Hedges

Diagram illustrating the payoff for a "4Way" Calendarized Condor Hedge4 Long A strategy.

The underlying price is 100.

Diagram illustrating the payoff for a "4Way" Calendarized Condor Hedge4 Long B strategy.

The underlying price is 100.

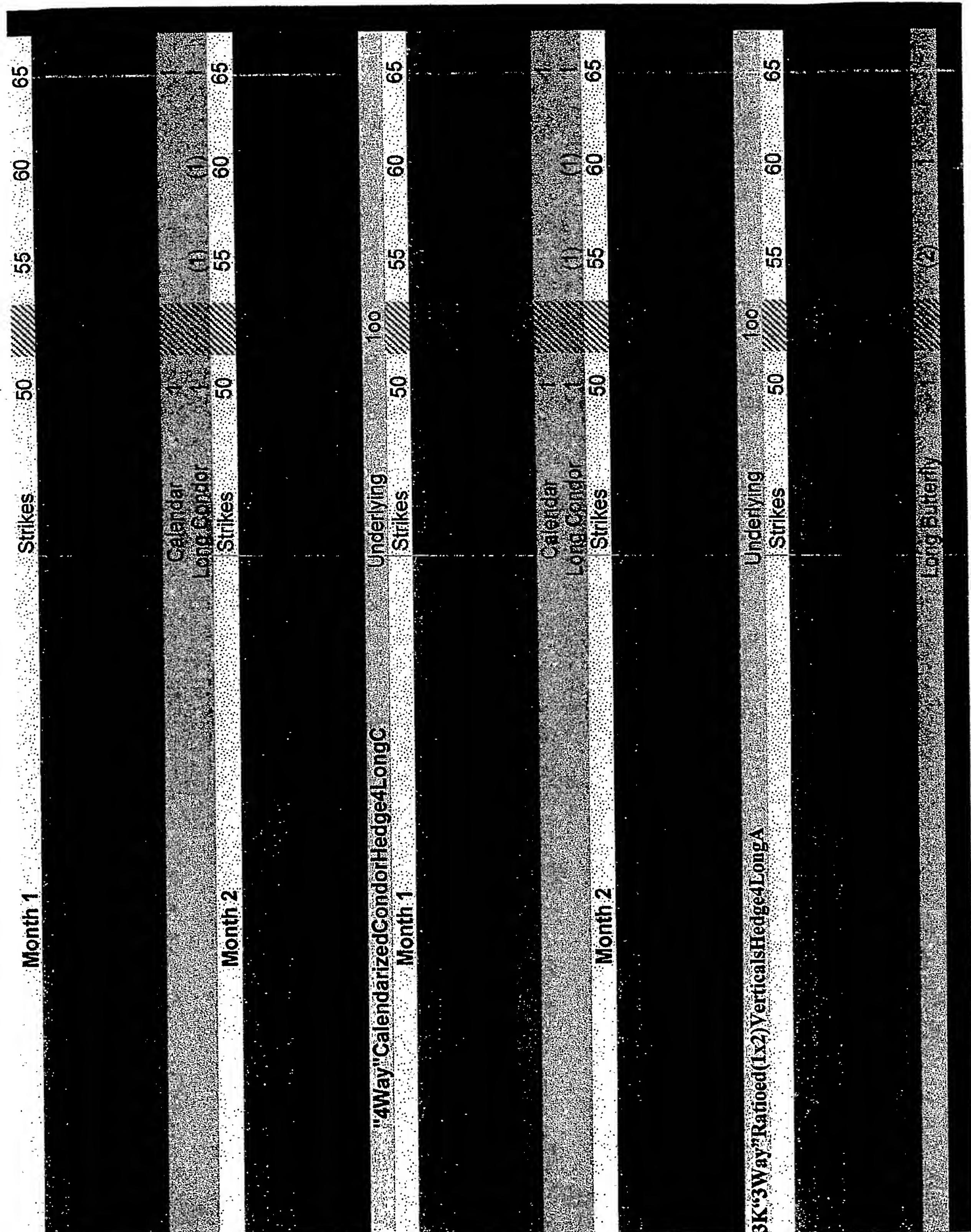
Diagram illustrating the payoff for a "4Way" Calendarized Condor Hedge4 Long C strategy.

The underlying price is 100.

Diagram illustrating the payoff for a "4Way" Calendarized Condor Hedge4 Long D strategy.

The underlying price is 100.

## Appendix 1: Long Underlying Hybrid Hedges



## Appendix 1; Long Underlying Hybrid Hedges

3K“3Way”Ratioed(1x2)VerticalsHedge4LongB	Underlying	200	55	60	65
Long 200	50	55	60	65	
3K“3Way”Ratioed(1x2)VerticalsHedge1LongC	Underlying	50	55	60	65
Long 200	50	55	60	65	
3K“3Way”Ratioed(1x2)VerticalsHedge1LongC	Underlying	300	55	60	65
Long 200	50	55	60	65	
3K“4Way”Ratioed(1x2)VerticalsHedge4LongA	Underlying	100	55	60	65
Long 200	50	55	60	65	
3K“4Way”Ratioed(1x2)VerticalsHedge1LongB	Underlying	100	55	60	65
Long 200	50	55	60	65	

## Appendix 1: Long Underlying Hybrid Hedges

Underlying	Strikes	250	55	60	65
3K“4Way”Ratioed(1x2)VerticalHedge4LongC	50	50	55	60	65
3K“3Way”Ratioed(2x1)VerticalHedge4LongA	50	50	55	60	65
3K“3Way”Ratioed(2x1)VerticalHedge4LongB	50	50	55	60	65
3K“3Way”Ratioed(2x1)VerticalHedge4LongC	50	50	55	60	65

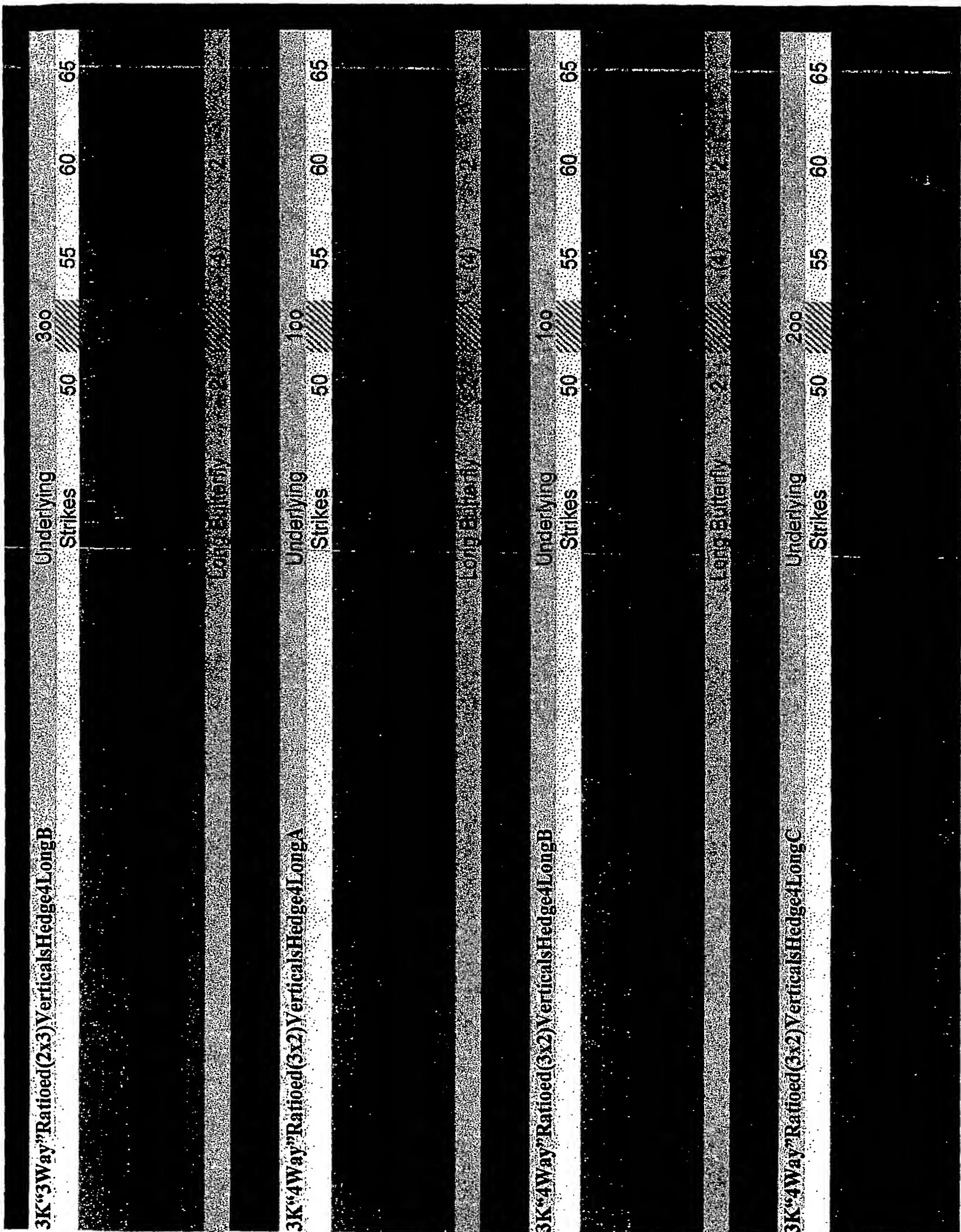
Appendix I: Long Underlying Hybrid Hedges

3K“4Way”Ratioed(2x1)VerticalsHedge4LongA		3K“4Way”Ratioed(2x1)VerticalsHedge4LongB		3K“4Way”Ratioed(2x1)VerticalsHedge4LongC		3K“4Way”Ratioed(2x3)VerticalsHedge4LongA	
Underlying	Strikes	Underlying	Strikes	Underlying	Strikes	Underlying	Strikes
Long Butterfly	(2)						
100	50	100	50	100	50	100	50
	55		55		55		55
	60		60		60		60
	65		65		65		65

## Appendix 1: Long Underlying Hybrid Hedges

Underlying	Strikes	50	55	60	65
3K“4Way”Ratioed(2x3)VerticalsHedge4LongB	Underlying	50	55	60	65
3K“4Way”Ratioed(2x3)VerticalsHedge4LongC	Underlying	50	55	60	65
3K“3Way”Ratioed(2x3)VerticalsHedge4LongA	Underlying	50	55	60	65

## Appendix 1: Long Underlying Hybrid Hedges



## Appendix 1: Long Underlying Hybrid Hedges

	Underlying	Strikes	300	55	60	65
3K*4Way"Ratioed(3x2)VerticalsHedge1LongA	Underlying	200				
	Strikes	50	55	60	65	
3K*3Way"Ratioed(3x2)VerticalsHedge4!LongB	Underlying	300				
	Strikes	50	55	60	65	
3K*3Way"Ratioed(1x3)VerticalsHedge4!LongA	Underlying	100				
	Strikes	50	55	60	65	
3K*3Way"Ratioed(1x3)VerticalsHedge4!LongA	Underlying	300				
	Strikes	50	55	60	65	

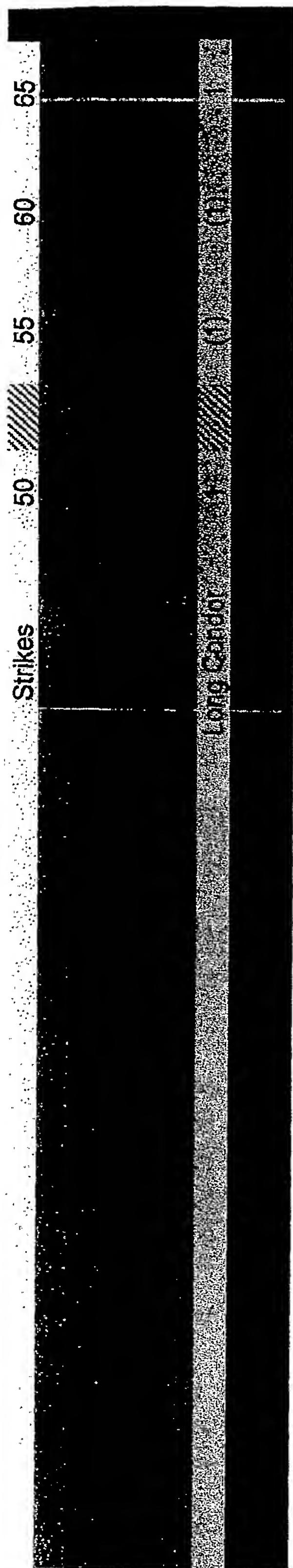
Appendix 1: Long Underlying Hybrid Hedges

3K“3Way”Ratioed(3x1)VerticalsHedge4LongA		3K“3Way”Ratioed(3x1)VerticalsHedge4LongB		4K“4Way”Ratioed(1x2)VerticalsHedge4LongA		4K“4Way”Ratioed(1x2)VerticalsHedge4LongB	
Underlying	Strikes	Underlying	Strikes	Underlying	Strikes	Underlying	Strikes
100	50 55 60 65	300	50 55 60 65	100	50 55 60 65	100	50 55 60 65

## Appendix 1: Long Underlying Hybrid Hedges

Underlying	Strikes	100	55	60	65
4K“4Way”Ratioed(1x2)VerticalsHedge4LongC	Long Call 60	(1)			
4K“4Way”Ratioed(1x2)VerticalsHedge4LongD	Long Call 60	(1)			
4K“4Way”Ratioed(2x1)VerticalsHedge4LongA	Long Call 60	(1)			
4K“4Way”Ratioed(2x1)VerticalsHedge4LongB	Long Call 60	(1)			

## Appendix 1: Long Underlying Hybrid Hedges



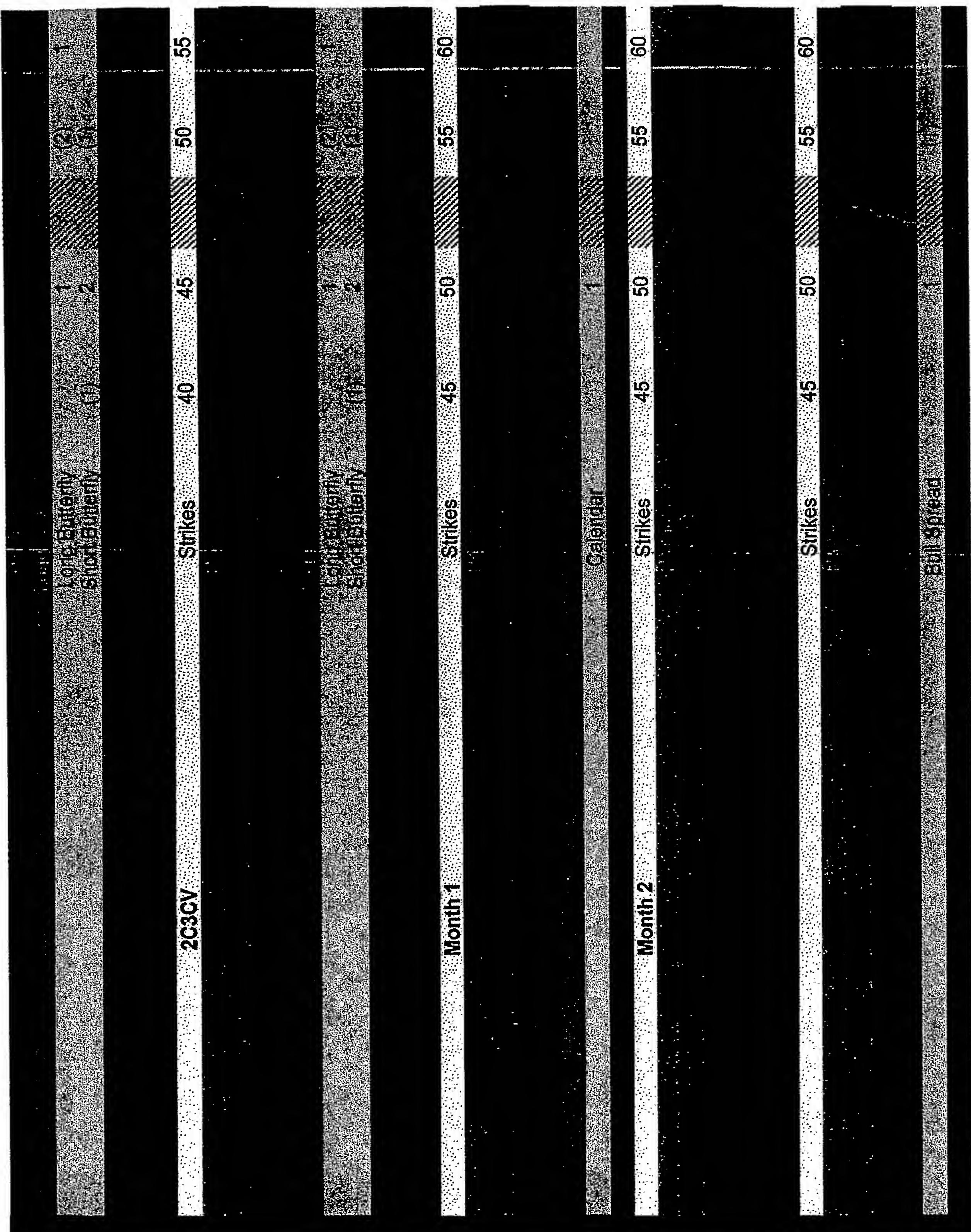
Appendix 2: Short Underlying Hybrid Hedges

	Strikes	45	50	55	60
1C(2)PV	Long Call	(2)			
1C2CV	Strikes	45	50	55	60
	Long Call	(1)			
2C(2)PV(100)U	Strikes	45	50	55	60
	Long Call	(1)			
2C2PV	Strikes	45	50	55	60
	Long Call	(2)			

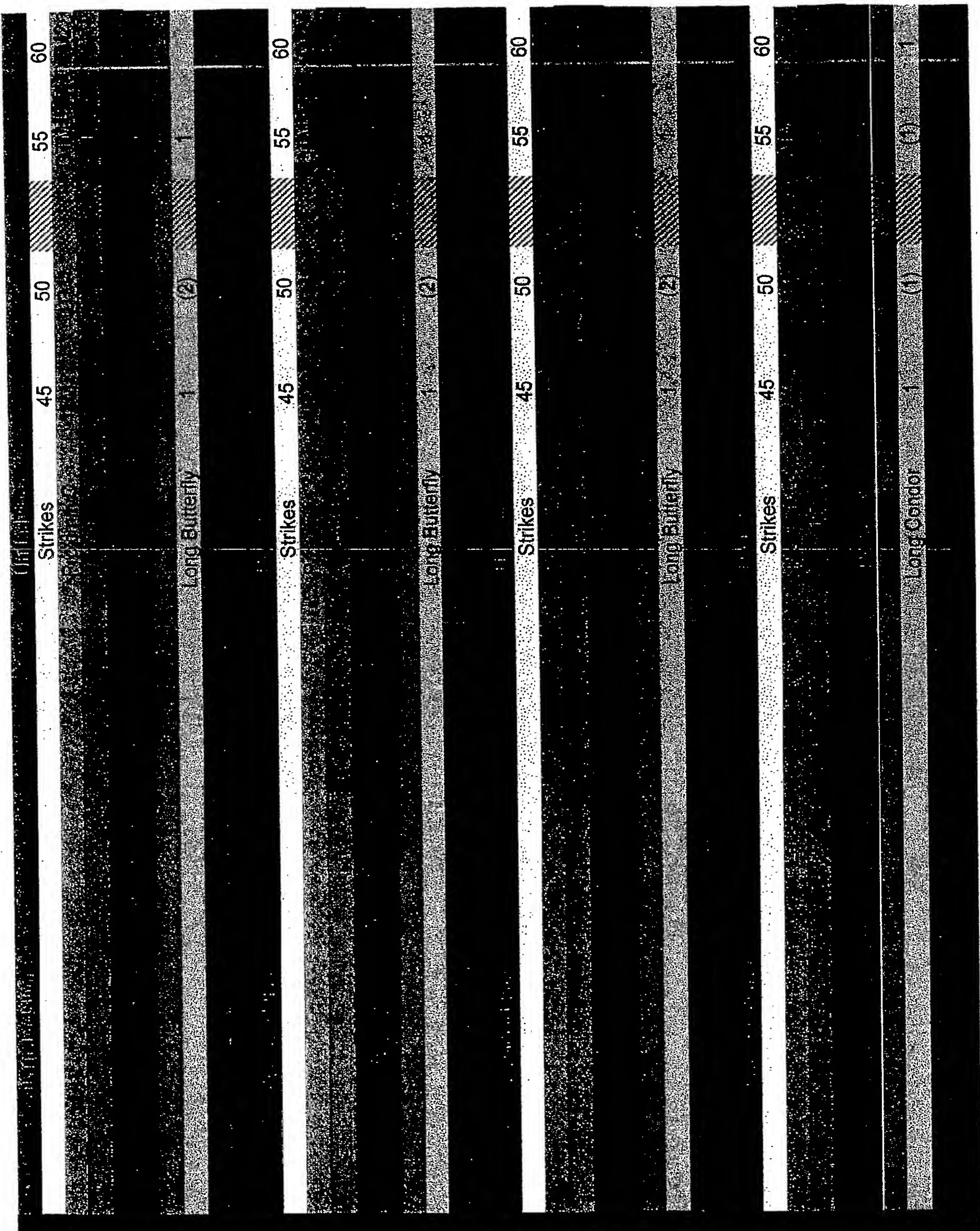
Appendix 2: Short Underlying Hybrid Hedges

Long Butterfly		2C2CV		1C(3)PV		1C3CV		2C(3)PV	
Strikes	45	50	55	50	45	55	50	40	55
Long Butterfly	1	(2)	1	1	1	2	1	1	2
Short Butterfly	1	(2)	1	1	1	2	1	1	2
Strikes	55	50	55	50	45	55	50	40	55

Appendix 2: Short Underlying Hybrid Hedges



Appendix 2: Short Underlying Hybrid Hedges



Appendix 2: Short Underlying Hybrid Hedges

	Strikes	45	50	55	60
Long Call 1					
Long Call 2					
Long Call 3					
Long Call 4					
	Strikes	45	50	55	60
Long Call 1					
Long Call 2					
Long Call 3					
Long Call 4					
	Strikes	45	50	55	60
Long Call 1					
Long Call 2					
Long Call 3					
Long Call 4					
Month 1	Strikes	45	50	55	60
Long Call 1					
Long Call 2					
Long Call 3					
Long Call 4					
Month 2	Strikes	45	50	55	60
Long Call 1					
Long Call 2					
Long Call 3					
Long Call 4					

## Appendix 2: Short Underlying Hybrid Hedges

## Appendix 2: Short Underlying Hybrid Hedges

Appendix 2: Short Underlying Hybrid Hedges



## Appendix 2: Short Underlying Hybrid Hedges



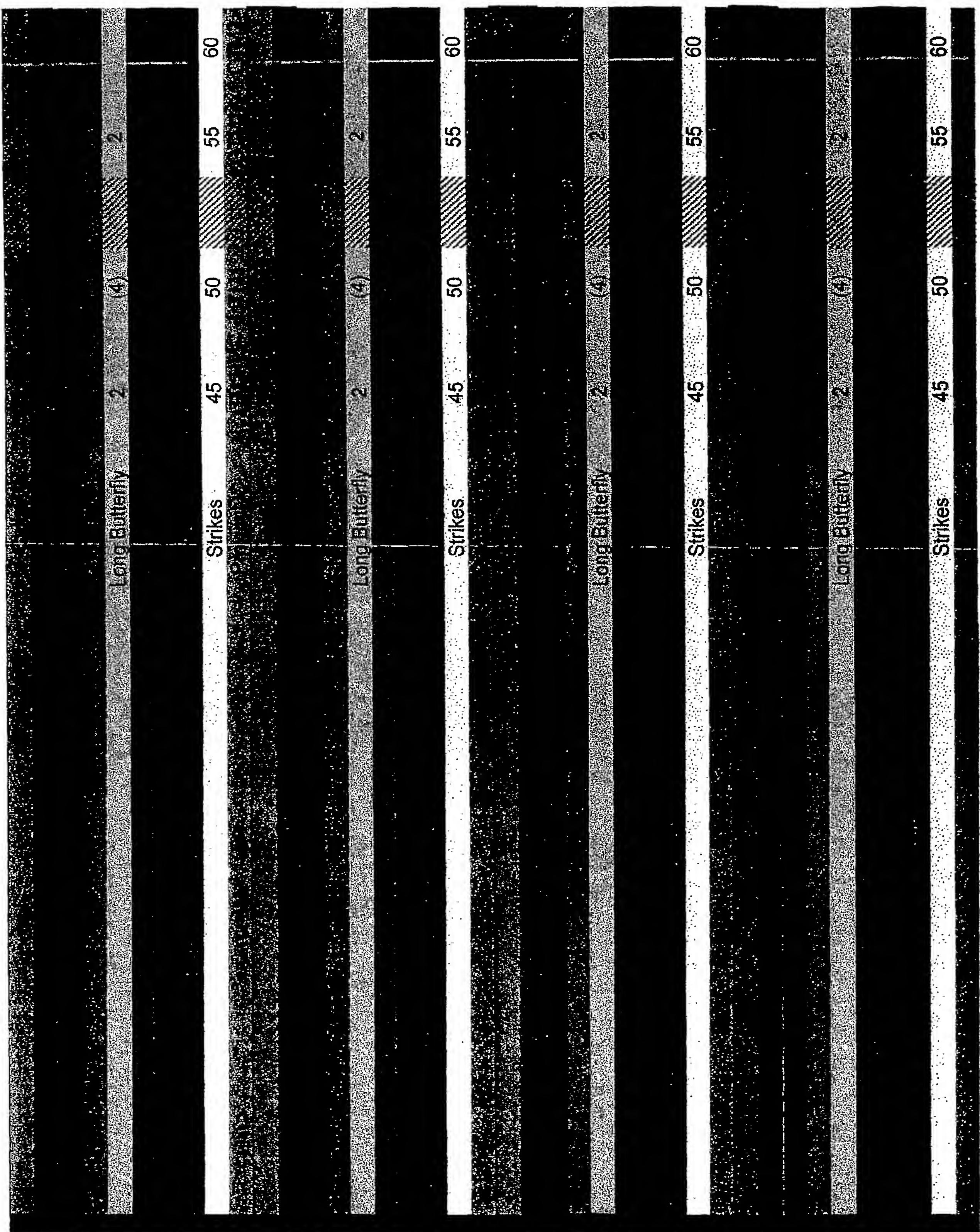
Appendix 2: Short Underlying Hybrid Hedges



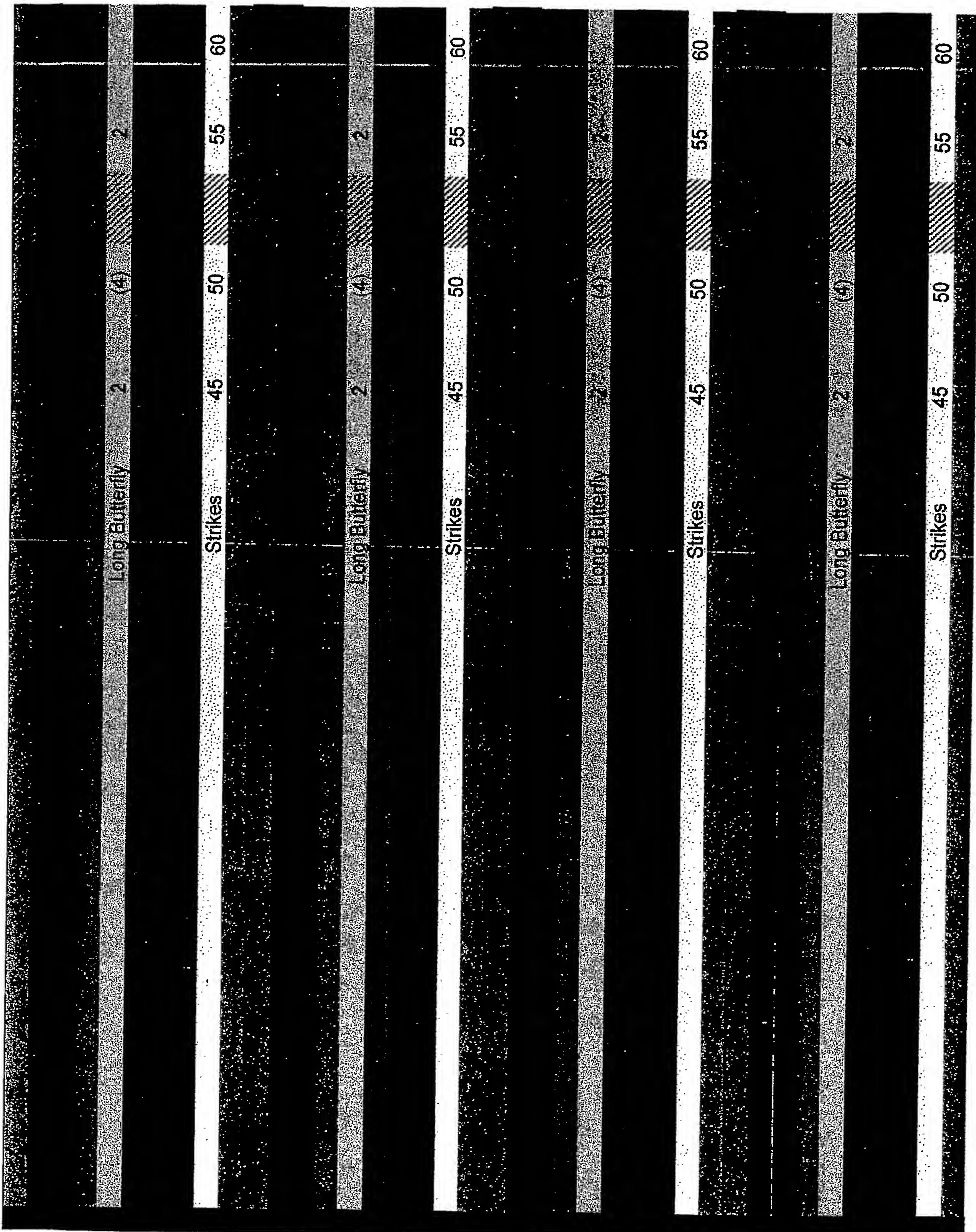
## Appendix 2: Short Underlying Hybrid Hedges



Appendix 2: Short Underlying Hybrid Hedges



## Appendix 2: Short Underlying Hybrid Hedges



## Appendix 2: Short Underlying Hybrid Hedges

Appendix 2: Short Underlying Hybrid Hedges



Appendix 2: Short Underlying Hybrid Hedges



## Appendix 3: Top Weighted Option Plays

**Pure Option Plays**

Slingshot 1C(2)CV	Underlying Strikes	50	55	60	65
Slingshot 1C2PV	Underlying Strikes	50	55	60	65
Slingshot 2 Strangles Vs 1 Straddle	Underlying Strikes	50	55	60	65
Slingshot 1C(3)CV	Underlying Strikes	50	55	60	65

### Appendix 3: Top Weighted Option Plays

Slingshot	Underlying	50	55	60	65
1C3PV	Strikes	50	55	60	65
		1	2	3	4
		3.90	4.11	4.31	4.51
		4.51	4.71	4.91	5.11
Slingshot	Underlying	50	55	60	65
1C(3)CV1P	Strikes	50	55	60	65
		1	2	3	4
		3.90	4.11	4.31	4.51
		4.51	4.71	4.91	5.11
Slingshot	Underlying	50	55	60	65
2P3PV	Strikes	50	55	60	65
		1	2	3	4
		3.90	4.11	4.31	4.51
		4.51	4.71	4.91	5.11

Appendix 3: Top Weighted Option Plays

3K“3Way Ratioed(1x2) Verticals AU (Up)	Underlying	50	55	60	65
3K“3Way” Ratioed(1x2) Verticals BU	Underlying	50	55	60	65
3K“4Way” Ratioed(1x2) Verticals AU	Underlying	50	55	60	65
3K“4Way” Ratioed(1x2) Verticals BU	Underlying	50	55	60	65

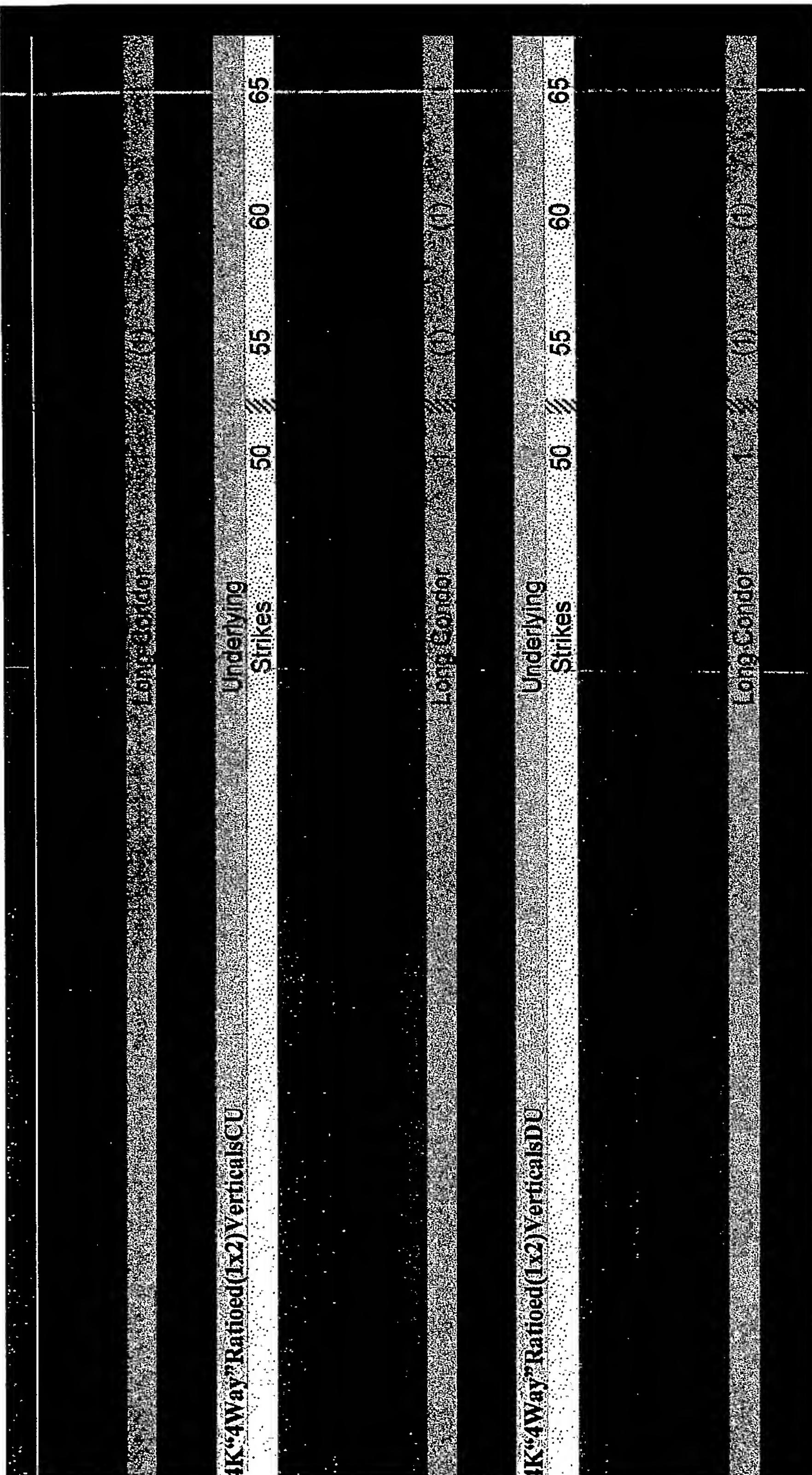
Appendix 3: Top Weighted Option Plays

3K“3Way”Ratioed(2x3)VerticalsAU	Underlying	50	55	60	65
1.00g Blk/Blk	(2)				
3K“4Way”Ratioed(2x3)VerticalsBU	Underlying	50	55	60	65
1.00g Blk/Blk	(2)				
3K“3Way”Ratioed(2x3)VerticalsCU	Underlying	50	55	60	65
1.00g Blk/Blk	(2)				
3K“3Way”Ratioed(1x3)VerticalsAU	Underlying	50	55	60	65
1.00g Blk/Blk	(2)				

## Appendix 3: Top Weighted Option Plays

3K“3Way”Ratioed(1x3)VerticalsBU	Underlying	50	55	60	65
3K“4Way”Ratioed(1x3)VerticalsBU	Underlying	50	55	60	65
4K“4Way”Ratioed(1x2)VerticalsAU	Underlying	50	55	60	65
4K“4Way”Ratioed(1x2)VerticalsBU	Underlying	50	55	60	65

## Appendix 3: Top Weighted Option Plays

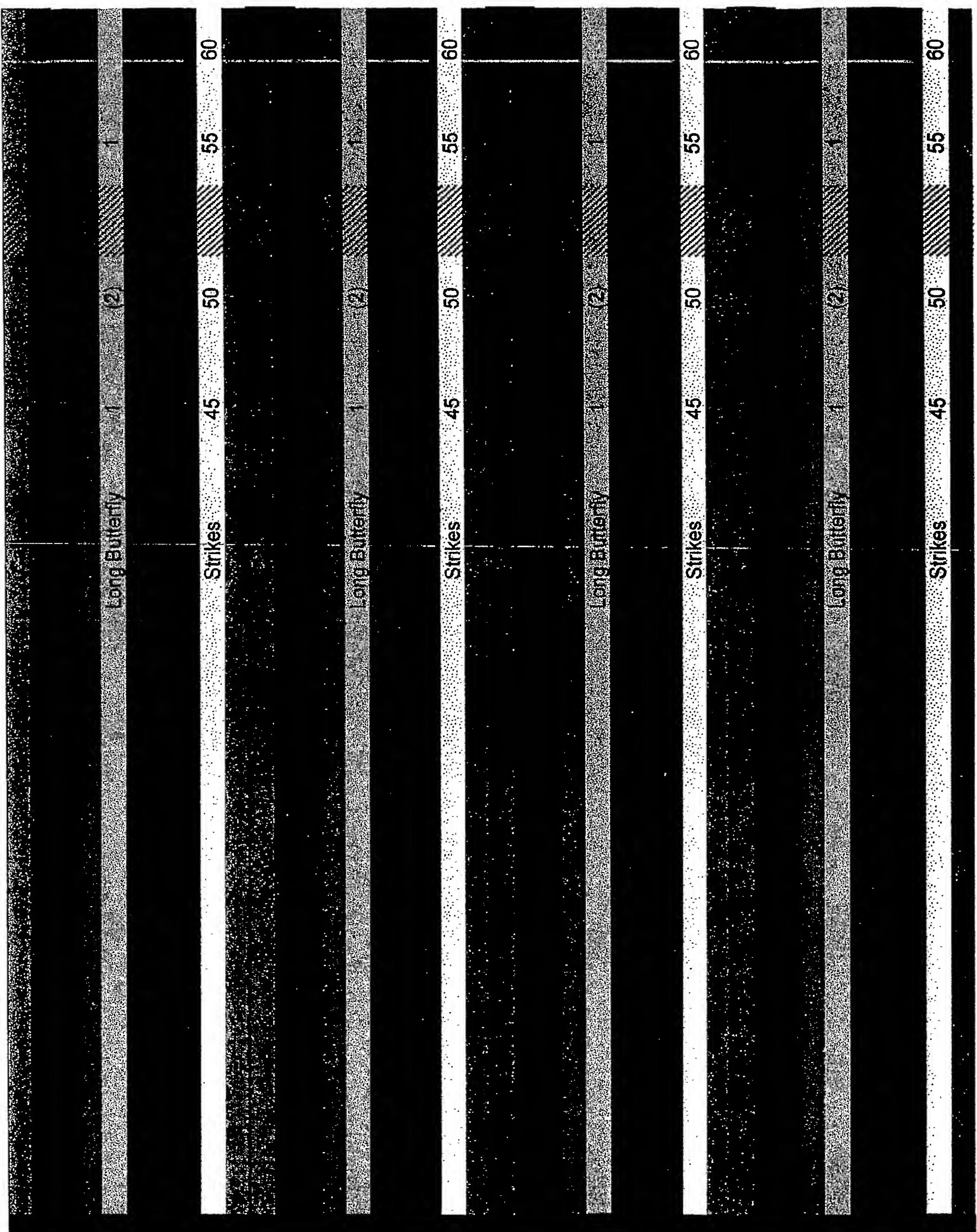


Appendix 4: Bottom Weighted Option Plays

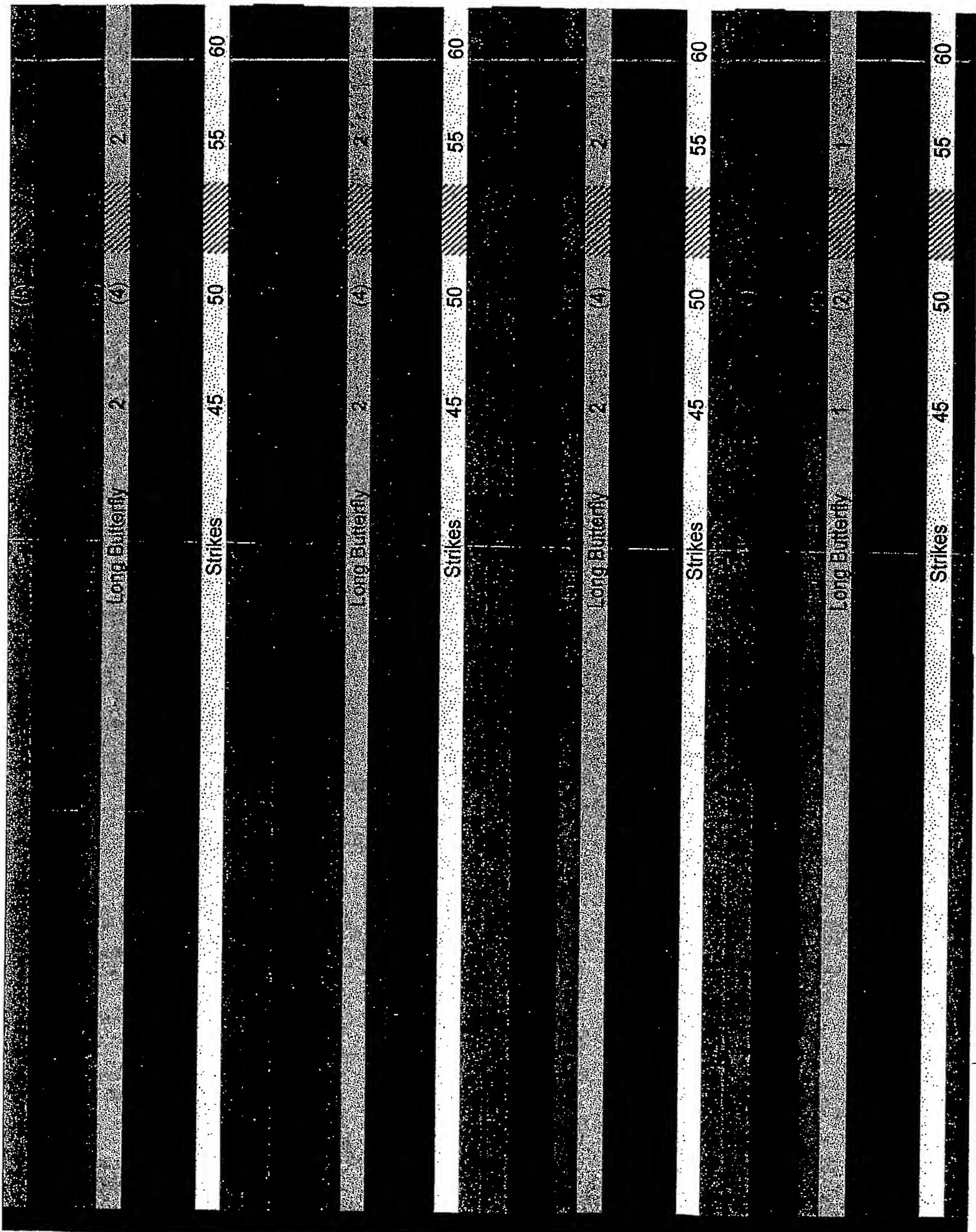
	Strikes	45	50	55	60
1P(2)PV	Strikes	45	50	55	60
	Long Call	1	2	3	4
	Short Put	1	2	3	4
1P2CV	Strikes	45	50	55	60
	Long Call	1	2	3	4
	Short Put	1	2	3	4
2 Gut Strangles vs 1 Straddle	Strikes	45	50	55	60
	Long Call	1	2	3	4
	Short Put	1	2	3	4
1P(3)PV	Strikes	40	45	50	55
	Long Call	1	2	3	4
	Short Put	1	2	3	4

## Appendix 4: Bottom Weighted Option Plays

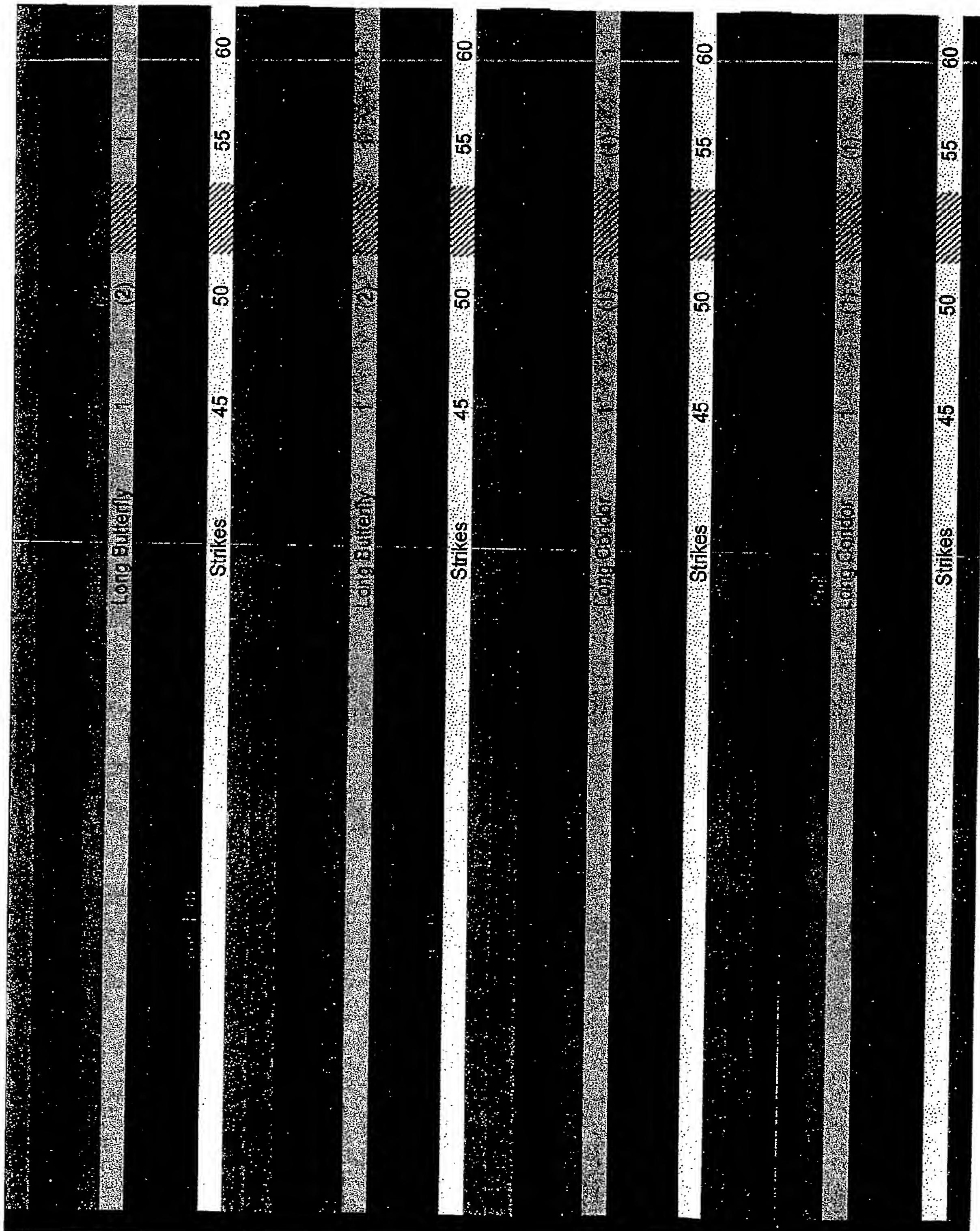
Appendix 4: Bottom Weighted Option Plays



Appendix 4: Bottom Weighted Option Plays



Appendix 4: Bottom Weighted Option Plays



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